DOCUMENT RESUME

ED 271 368 SO 017 297

AUTHOR	Serrie, Hendrick, Ed.
TITLE	Anthropology and International Business. Studies in Third World Societies. Publication Number Twenty-Eight.
INSTITUTION	College of William and Mary, Williamsburg, VA. Dept. of Anthropology.
PUB DATE	Jun 84
NOTE	312p.; For other studies in this series, see ED 251 334 and SO 017 268 and SO 017 295-296.
AVAILABLE FROM	Studies in Third World Societies, Department of Anthropology, College of William and Mary, Williamsburg, VA 23185 ($20.00).
PUB TYPE	Collected Works - General (020) -- Information Analyses (070)
EDRS PRICE	MF01/PC13 Plus Postage.
DESCRIPTORS	*Anthropology; *Business; *Business Administration; *Cross Cultural Studies; Drinking; Entrepreneurship; Foreign Countries; *International Trade; Managerial Occupations; Marketing; Modernization; Religion; Religious Differences; Socioeconomic Influences

ABSTRACT

The range and possibilities of "business anthropology" are explored in fourteen papers. The papers are presented in an order designed to illustrate five major roles for anthropologists interested in working with business: (1) conducting cross-cultural orientation programs for business personnel working in foreign countries or with different domestic ethnic groups; (2) monitoring and brokering cross-cultural business operations; (3) analyzing the business organization itself and its internal functioning; (4) analyzing the host country or host community in terms of its needs, capabilities, and limitations regarding business; and (5) teaching college courses relating anthropology to business. The papers are: (1) "Anthropological Contributions to Business in Multicultural Contexts" (Hendrick Serrie); (2) "Culture in International Business: Selecting Employees for Expatriate Assignments" (Margo L. Smith); (3) "Managing the Multinational Firm: Finding the Right Expatriate for the Job" (Jo Rainie Rodgers); (4) "Intercultural Training: An Overview of the Benefits for Business and the Anthropologist's Emerging Role" (Constance S. Ojile); (5) "Cross-Cultural Interaction: Some General Considerations for Innocents Abroad" (Hendrick Serrie); (6) "Chinese Business and Management Behavior and the Hsu Attributes: A Preliminary Inquiry" (Hendrick Serrie); (7) "A Cross-Cultural Analysis of Drinking Behavior within the Context of International Business" (Diane Zior Wilhelm); (8) "Forming Business Relationships in Bantu Africa" (Jeffrey A. Fadiman); (9) "The Anthropologist in Marketing" (S. Brian Burkhalter); (10) "The Americanization of Shoyu: American Workers and a Japanese Employment System" (John van Willigen and Richard Stoffle); (11) "The Multinational Corporation as a Form of Sociocultural Integration above the Level of the State" (Alvin W. Wolfe); (12) "The Art of Nigerian Business: Igbo Entrepreneurial Innovation Using Family Organization" (Stella B. Silverstein); (13) "Religions and Economic Externalities of American-Guatemalan Agribusiness" (Elizabeth B. Sumner-Faust); and (14) "College Courses on Business Anthropology" (Hendrick Serrie). (BZ)

STUDIES IN THIRD WORLD SOCIETIES

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Library of Congress Catalog Card Number: 86-070465

Communications concerning editorial matters, including requests to reprint or translate, and correspondence about subscriptions, change of address, circulation, and payments should be addressed to:

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ANTHROPOLOGICAL CONTRIBUTIONS TO BUSINESS IN MULTICULTURAL CONTEXTS[1]

HENDRICK SERRIE
Eckerd College

INTRODUCTION

In the past five years there has been a surge of interest in international business, its problems and prospects for Americans, and the academic backgrounding and services deemed necessary to preserve U.S. competitiveness in global trade. In 1983 the Federal International Business Education Program (Title VI, Part B, HEA) began funding for various community and junior colleges, liberal arts colleges, and universities around the country to "increase and promote the nation's international understanding and economic enterprise through . . . international education and training for business personnel" (Sakamoto 1985:1). In an entrepot state, such as Florida, businesses and government agencies are reaching out to the academic community for training programs and expertise. Following the guidelines of a Project for International Education and Economic Development (Alterman 1984), the Florida Resources in International Education Act of 1984 created a Florida Council on International Education and Commerce within the state Department of Education, charged with identifying resources, fostering international education, and establishing liaison between the academic institutions and Florida international businesses.

Aside from specific needs for courses and degree programs in international business and management, and some concern with foreign language, there is insufficient understanding among ordinary businessmen of the importance of understanding foreign cultures, and even less of the necessity of business individuals and firms adapting their behavior and operations to their host foreign cultures. One week after the state Department of Education sponsored the Tampa Regional Conference on International Education and Economic Development, a conference on Marketing American Technical Expertise Overseas was held in the same city, sponsored by the U.S. Department of Commerce, the Florida District Export Council, the Super Task Force for Internationalizing the Tampa Bay Area in the 1980s, and the University of South Florida. Despite the reappearance of several people from the first conference at the second, there was no restatement of any of the supplications to or on behalf of the academics in international education. Business representatives hoping to sell their products and services in foreign countries were given much technical information and little or no cultural information. At one of the presentations it was indicated that cross-cultural orientation was desirable, and when a businessman in attendance asked where it could be had, the consultant had no nearer place in mind than Utah. Another consultant mentioned the possibility of appropriate technology, but in private conversation admitted that American agribusinesses had little interest in developing or selling products for small-scale agriculture abroad.

Despite the persisting ignorance within many multinational firms (MNFs) about the field of anthropology as a source of expertise relevant to multicultural business operations, there is at the present time a readiness to learn from anthropologists that never existed before. The United States is becoming conscious of an increasing share of GNP devoted to international trade and a growing dependence on foreign countries for markets and labor. At the same time foreign countries, while aware of their dependence on international trade as a means of financing economic development, have legislated ways of punishing MNFs and individual managers for some of the grosser manifestations of imperialism or arrogance. The multinational firms, for their part, have started to receive cost analyses on their cross-cultural errors, and are more prone to seek out expert advice. According to Larry Naylor, multinational firms in the Dallas-Fort Worth area have been the ones to make all the approaches to anthropologists at North Texas State University in Denton (personal communication.)

Clearly, there is work for anthropologists to do within the interface of business and culture, and the discipline has begun to address the need. In 1983 at the Annual Meeting of the American Anthropological Association, a symposium on Anthropology and International Business was organized by Hendrick Serrie. Participants included Walter J. Dickie, an anthropologist working for Creative Research Associates in Chicago; Marlys McClaran of the University of California at Los Angeles; Jo Rainie Rodgers, an anthropologist who with her husband operates Cultural Research Associates in Fremont, California; John F. Sherry, Jr., an anthropologist teaching in the J. L. Kellogg Graduate School of Management at Northwestern University; Margo L. Smith of Northeastern Illinois University; Richard W. Stoffle of the University of Wisconsin at Parkside; Elizabeth B. Sumner-Faust, a newly-minted anthropologist out of Syracuse University who teaches at Mater Dei College in Morristown, New York; and Diane Zior Wilhelm of Middlesex County College in Edison, New Jersey. In 1984, a second AAA symposium, this one titled Business Anthropology: International and Domestic, was organized by John F. Sherry, Jr. Participants included Douglas D. Caulkins of Grinnell College; R. Griffin Coleman, an anthropologist living in Santa Clara, California; Kenneth

A. David of Michigan State University; Kenneth N. Ehrensal, an anthropologist teaching in the Center for International Business Studies at Pace University; Lucy Garretson, an anthropologist with the Austin, Texas American Statesman ; Luther Gerlach of the University of Minnesota; Jo Rainie Rodgers; Hendrick Serrie; Margo L. Smith; and Brian J. Spooner, an anthropologist teaching in the Joseph H. Lauder Institute of Management and International Studies of the University of Pennsylvania. A symposium on Theoretical and Methodological Issues in Teaching Anthropology in the Business Curriculum is planned for the 1985 Annual Meeting of the American Anthropological Association. It is being organized by Kenneth N. Ehrensal, and will include Marietta L. Baba of Wayne State University; Kenneth A. David; George Rodgers, an anthropologist working as a telecommunications management analyst for Pacific Bell; Jo Rainie Rodgers; Leonard Sayles, an anthropologist in the Department of Management, Graduate School of Business at Columbia University; Hendrick Serrie; John F. Sherry, Jr.; Brian J. Spooner; and Alf Walle, an anthropologist in the Department of Marketing at the University of Akron.

This volume of scholarly papers by professional anthropologists is designed to acquaint other anthropologist and businessmen alike with the range and possibilities of Business Anthropology. The papers are presented in an order designed to illustrate five major roles for anthropologists interested in working with businesses: (1) conducting cross-cultural orientation programs for business personnel working in foreign countries or with different domestic ethnic groups; (2) monitoring and brokering cross-cultural business operations; (3) analyzing the business organization itself and its internal functioning; (4) analyzing the host country or host community in terms of its needs, capabilities, and limitations regarding business; and (5) teaching college courses relating anthropology to business.

1. Cross-cultural Orientation of Business Personnel

Business persons, including spouses and children, require some grounding in the specific foreign culture to which they will be sent, as well as preparation for the personal changes they are likely to undergo in adapting to any culture distinct from their own. When Japanese Prime Minister Nakasone was interviewed on the Today Show in January 1983, he expressed his belief that Japanese success in international trade has much to do with the superior knowledge of the culture and language of the host country that Japanese businessmen are expected to acquire, compared with that of their American competitors (Sen 1984:1). Of the two kinds of preparation, learning the appropriate cultural behavior is even more critical than learning the foreign language. Foreign language teachers often claim to be teaching the "culture" along with the language, but according to a study by Raymond L. Gorden (1974), American students in Bogota who were fluent in Spanish often made and repeated far more serious behavioral mistakes than those who were not advanced in the language. Something similar to the preparation of anthropologists embarking on field research is necessary--and missing--in the orientation of business persons going abroad.

The first two papers in this section assess the current policies and procedures within American multinational firms regarding the selection and orientation of personnel for overseas assignment. Margo L. Smith surveys fifteen multinationals in the Chicago area and finds eleven strategies for dealing with the need for cross-cultural adaptation of corporate personnel. If her findings are representative of American firms as a whole, then the dominant American response to foreign cultures is for "us" to avoid learning much about "them", and to require "them" to speak English and learn about "us". In northern California, Jo Rainie Rodgers relates the shift away from filling top foreign positions with American personnel to reflect a general concern among executives with the hazards of cross-cultural differences. Sending American executives abroad is expensive, and the risks of early repatriation are high. Indeed, a brochure for the Training and Organization Development Programs for Overseas Effectiveness offered by the Business Council for International Understanding at The American University estimates the cost of retrieving and replacing an unsuccessful overseas manager at $34-142,000 (N.D.: 1).

Few corporations evaluate the cross-cultural knowledge and skills of their employees. Some do provide orientation programs of varying length and type. Worst of all, firms often express an ambivalence towards international experience that may reflect the American cultural pattern of denying or concealing behaviors connotative of the "immigrant". Returning expatriate executives may find that their peers have advanced ahead of them, or that there is no position at all for them within the firm. Rodgers stresses the need for readjustment programs for returning expatriates, who must cope with reverse culture shock, lack of appreciation of their foreign experience, and pressures to catch up on what happened at home while they were away.

Cross-cultural orientation of business personnel is perhaps the most obvious application of anthropology to business, although many non-anthropologists as well as anthropologists are currently certified in this profession. Constance S. Ojile is an anthropological consultant in the Washington D.C. area. She is a certified intercultural training specialist, and through the Washington Association of Professional Anthropologists (WAPA) regularly conducts workshops at anthropological meetings and elsewhere on Opportunities In Intercultural Training. Her paper in this section discusses the content and techniques of various cross-cultural (or intercultural) orientation programs available to businessmen, and why they should avail themselves of the opportunity to enroll in one ("To Know Before You Go Saves Dough").

Attitudes and other psychological characteristics permeate interactional behavior within any culture, and this includes business and management interaction. The last four papers in this section offer practical insights directed towards achieving positive cross-cultural interaction and illustrate the kinds of input that American businessmen need to acquire if they are to operate successfully in other cultures. In one paper Hendrick Serrie suggests a set of attitudes that has general usefulness anywhere in the world. In another paper he analyzes Chinese business and managerial behavior in terms of four psychocultural attributes originally discerned by Francis L. K. Hsu (1965). In the next paper Diane Zior Wilhelm focuses on some of the culture-specific drinking behaviors considered obligatory among businessmen in Hungary, Peru, southeast Asia, and Japan. In the last paper Jeffrey A. Fadiman explicates the kinship oriented approach to business relationships that prevails in the Bantu-speaking countries of central and southern Africa.

2. Anthropological Analysis of Business Operations

This refers to the entire gamut of business operations within or involving a culture distinct from that of the head office. Ideally, the cultures or subcultures of all groups connected with the multinational firm, and their needs, should be understood and reconciled or balanced in the day-to-day management of the firm in order to create a mutuality of benefits. There is the host government to deal with, the public at large, and the consumers, all of which may be subdivided into different ethnic, class, rural/urban, regional, and other segments.

At the present time there are a number of anthropologists actively engaged in marketing. In his paper in this sections. Brian Burkhalter points out that, just as anthropology is the broadest and most eclectic discipline in the social sciences, so marketing is the broadest and most eclectic in subject matter in the field of business. Drawing upon his field research in a peasant village along the Amazon, Burkhalter illustrates the utilities of anthropological theory and method in marketing. He relates the anthropological concepts of culture and subculture to the marketing concept of marketing segmentation, and shows how anthropological sensitivity to cultural configurations by way of participant observation techniques is valuable in analyzing the institutional contexts of consumers and purchasing locales.

The following is one example of the role of the anthropologist as a market consultant. This anthropologist was hired in 1961-62 by the Rockefeller Foundation through the University of Wisconsin to carry out a cultural field test of a newly developed solar energy cooking stove in a Zapotec village in Oaxaca (Daniels 1964:93-100; Silverberg and Serrie 1962, 1963). The stove, which utilized a four-foot parabolic reflector, was technically quite proficient, yielding the concentrated heat of a cooking fire and capable of dramatically igniting a piece of newspaper for demonstration purposes. It had been developed at the University of Wisconsin to tap renewable energy sources, and hopefully to reduce deforestation in Mexico by providing an alternative to firewood for cooking.

As part of the strategy of introducing solar cookers, the laboratory model solar cooker was translated into one made in the town of Teotitlan del Valle with, to the greatest extent possible, locally available materials, local tools and techniques, and local Zapotec labor and talents. The little industry was located in a vacant area along the main road, and persons passing by could freely observe, make inquiries, and try out the newly wrought cookers. As a means of screening initial participants, the cookers were sold for a nominal price that covered the cost of materials.

Initial consumer interest in the cookers ran high and far outpaced the very limited, experimental production. Nevertheless, cultural factors perceived as a result of ethnographic field studies provided a strong argument against plans for the mass production of the solar cookers, and thereby prevented a costly mistake.

One cultural problem with the cookers involved peasant timing. The major cooking of the day is done early in the morning and early in the evening, with a cold lunch consumed out in the fields at midday. Thus, when the need for cooking fuel is greatest, the sun is at its lowest in the sky and therefore weakest in solar radiation. Conversely, during the middle of the day when the sun is strongest, there is little demand for cooking fuel.

A second cultural problem involved Mexican cooking techniques. Although effective in boiling beans and soups and capable of frying an egg, solar cookers can not bake tortillas. The concentrated focal point of heat burns a hole through the dough of the pancake, leaving the remainder uncooked; enlarging the focal point to distribute heat more broadly under the comal (a wide, shallow ceramic bowl in which tortillas are pan-baked) results in so much heat loss that no part of the pancake will cook.

The third cultural problem involved the complex of behaviors associated with cooking. A Zapotec woman is accustomed to sitting comfortably on the dirt floor of her bamboo and thatch "kitchen", able to tend her cooking fire, grind and knead her corn dough, tend her baking tortillas, and serve her family. For long periods of time there is no need for her to get up and move around. Despite the crude level of material culture, there is a behavioral ease if not elegance to this cooking complex that compares favorably to the endless movings about in Western kitchens. Solar cookers must be tended standing up and leaning over under a hot sun, and the parabolic reflector must be readjusted every fifteen minutes as the sun moves across the sky. To boil beans, stews, or soups by solar cooker is not very inconvenient, but to bake tortillas (if it were technically possible) or fry eggs--any cooking requiring continual attention--is arduous.

Here is an example of a product that works in the technological sense, but not in the cultural sense in this location. Perhaps in cultures where boiling, rather than baking or frying, is the dominant technique (and sunshine is plentiful while fuel is scarce), the cultural problems of timing, cooking vessel, and convenience will be avoided and solar cookers may yet prove to be of value.

The terminology of business was not used in the anthropologist's Final Report (Serrie 1962) or in the two documentary films produced on the project (Silverberg and Serrie 1962, 1963). The sponsoring agencies, after all, were in the "not-for-profit" sector. Nevertheless, commercial production was envisioned pending positive results of the cultural field tests, so nonprofit and business sectors would have had an ultimate linkage. For the purpose of this paper, it is easy enough to point out that the Zapotec town of Teotitlan del Valle was a test market for a new product that showed the product to be unmarketable in that population.

Anthropologists must not ignore the foreign multinational firms come to feast in their own country. One example of successful MNF cross-cultural adaptation is shown in the paper in this section by John Van Willigen and Richard Stoffle of the introduction of a Japanese soy sauce plant in southern Wisconsin. The Japanese managers were sure of the market potential, and carefully researched American attitudes germane to building the new plant. They undertook a sophisticated training program for their new American production employees and managers to transfer the subtle technology of their natural process, as well as to inculcate those Japanese attitudes they wishes to retain in the employee policies and management of the new operation. The two anthropologists acted as observers of a scene of cross-cultural transference and adaptation, and it is clear from their study that anthropologists could have also served as managers or consultants of this process.

3. Anthropological Analysis of the Business Organization

A business firm may number persons of differing ethnicity or nationality among its employees. There may be different cultures or subcultures represented in the host national managers, office staff, production workers, suppliers, and salesmen. Sometimes an interactional problem arises due to differing cultural backgrounds, and resolution of the problem is made more difficult because of impasses in cross-cultural communication.

A while ago this anthropologist received a telephone call from someone working in one of the organizations in the Tampa Bay area. A most difficult cross-cultural problem had arisen in his division that was disrupting the tranquility of the work force and threatening dissension. One of the employees, a highly educated emigrant from a foreign country, had a body odor so objectionable to his fellow workers that no one wanted to work with him or get close to him. What to do? Even between fellow Americans, body odor is a crisis and to communicate culpability is next to impossible--two factors that make television commercials for deodorants both hilarious and urgent. How was it possible to communicate about this with someone from a foreign country?

An instinctive anthropological response was to check the situation for prejudices, dissatisfaction, or hostility on the part of the host group or on the part of the offending employee. The anthropologist was satisfied that the office was very pleased with the work performed by this employee, found him to be a very nice person, and in no way was gearing up to fire him. The employee seemed to enjoy his work and was considered to be a friendly person. But the body odor problem was a longstanding one, and now several employees were threatening to quit rather than work in the same area.

This anthropologist offered the following suggestions: First, to communicate with this employee about the problem sooner rather than later, and directly rather than by hinting. Second, to use a go-between to communicate with the employee, someone who was not a boss or a fellow worker. Third, to try to find someone of the same national or cultural background to be the go-between, and that failing to try to find someone who was at least form the same part of the world. Fourth, to instruct the go-between to emphasize to the employee that his co-workers liked him as a person, and that his superiors were pleased with his work, and that everyone in his division wanted to keep him. Fifth, to then have the go-between explain the problem and offer helpful suggestions to remedy it.

A couple of weeks later the entire matter was resolved. The superior had found a personal friend of the employee, from a partially related foreign culture, who was willing to be the go-between. The employee responded gratefully, corrected the situation, and everyone lived happily ever after.

The anthropological analysis of a business firm as a separate entity differs from other disciplinary approaches in its cultural and holistic view, and in its participant observation method. A large organization is in itself an (occupational) subculture and contains subgroupings with microcultures of their own. Two recent examples of business organization analysis done by anthropologists include one of discerning a problem, the other of implementing a solution.

A study by John F. Sherry on "Union Circumvention of Occupational Programming" (1983) shows how alcoholism treatment programs became suspect to rank and file employees after the programs were adopted as a fringe benefit. Sherry indicates that because field ethnologists come to know intimate characteristics of the psychosocial networks of their groups, they are in a special position to facilitate diagnosis, referral, treatment, and reintegration of employees with drinking problems. Beyond this, he feels that such anthropologists are uniquely suited to the practice of social systems therapy.

An article by David W. McCurdy and Donna F. Carlson (1984) reports the success of a young manager with an undergraduate background in anthropology who was assigned the task of "improving the service" in her educational materials division of a large corporation. Field ethnography revealed two distinct microcultures, one within the warehouse group and the other at the customer outlets, with the former blamed for all the service and inventory problems. There also turned out to be a no man's land between the two microcultures--the hallway where outgoing items from the warehouse waited for pickup on carts. Employees from other parts of the firm would sometimes look through the materials while passing through, occasionally carrying off an item of interest.

The simple technical solution of shrink-wrapping the books, grounded in the participant observations carried out by the anthropological manager, not only saved the company money, but eliminated frustration among the employees concerned and lifted morale and boosted production among the previously scapegoated group.

While the research by Sherry and by McCurdy and Carlson are illustrative of anthropological analysis of business organizations on a micro level, the paper by Alvin W. Wolfe in this volume is on a macro level. Wolfe looks at the international articulation of large corporations within an anthropological perspective of evolutionary transformation, discerning an emergent level of sociocultural integration higher than that of the nation state. He illustrates this phenomena with his earlier research on the interlocking directorates of mining companies in southern Africa and with Joel Levine's (1972) spheres of influence among banks and industrial corporations in the U.S. Wolfe relates this to the electronics or information processing revolution, and using network analysis finds that communications within the supranational system follow pathways that are grounded in precedent, or, in an unstable organizational environment, are novel tests aimed at reducing risks.

4. Anthropological Analysis of the Business Needs of the Host Culture

Analysis of the needs, the capabilities, and the limitations of host country populations with regard to the actual or potential role of multinational firms in that country requires the anthropological perspective of understanding the people of a foreign culture on their own terms.. The two papers in this section illustrate widely differing outcomes of international business in non-Western cultures. Stella Silverstein describes a happy trade in Western motor vehicles services and spare parts in Nigeria. In contrast, Elizabeth B. Summer-Faust describes an unhappy trade in Western agribusiness technology in Guatemala.

In her paper on Nigeria, Silverstein shows how a branch of the Igbo people, originating from the town of Nnewi, first invested in bicycles after the turn of the century to speed the transportation of palm oil and other products. Subsequently they invested in trucks, and after that in spare parts. They learned the practices of international business by working for multinational firms as drivers, clerks, and managers, then formed their own companies. Nnewi Igbo prospered as businessmen due to their willingness to migrate, combined with their preservation and utilization of traditional kinship ties in their proliferating companies and with their retention of the town of Nnewi as a home base of headquarters. Silverstein sees the success of the Nnewi tribal entrepreneurs as a significant model of economic development, alternative to both those advanced by the World Bank and by indigenous socialist movements.

One prominent anthropological concern is the neglect of preindustrial agriculturalists in Third World countries, by First World governments and multinational firms, and by Third World governments and urban populations. Anthropologists grounded in field research in Third World countries, especially among peasant villagers that often constitute the majority of the national population, have vitally important information for the leaders and managers of multinational firms. They must gain the attention of such people, sound warnings, and offer positive advice.

In her paper on Guatemala, Sumner-Faust describes the accelerating pattern of elite land ownership and disenfranchisement of peasants, which is backed up by army and police and opposed by indigenous movements in a tragically increasing violence. Although uprisings of Indians, revitalization movements, and political protests have occurred since the time of the Spanish Conquest, the recent intensifications are linked to destructive patterns of multinational investment in agribusiness operations. Sumner-Faust points out that agribusiness firms have a long-range stake in Third World countries, and she suggests that Third World countries pool their information, expertise, and experience, and on this basis form arrangements with multinationals that benefit all sectors of society.

The late J. Bronowski (1973, pp. 259-265) explains that the Industrial Revolution began in England, not France, as part of the British version of a democratic revolution that was delayed by at least three decades and required violence and terrorism in aristocratic France. Whereas on the continent technological genius was channelled into luxury products for the elite, in England it created the machines and canals that increased production and distribution by and for ordinary people, especially throughout the rural countryside. It has been the experience of this anthropologist that Third World peasants are ready and willing to be participants in their own industrial revolution. They are interested in improving their lot by producing goods for sale and by purchasing modern products within their limited means that make life easier. However, in many parts of the world, no one has yet hit upon the idea of selling peasants cheap and serviceable tools and machines that will increase their agricultural productivity and income.

In 1962, as the "Green Revolution" was being developed elsewhere in Mexico, mestizo and Zapotec peasants in Oaxaca were plowing small parcels of land with a wooden plow no more sophisticated than an oversized pointed stick with an iron reinforcement at the end. The lack of moldboard required the farmer to kick the furrows over with his foot, a task sometimes accomplished by a second worker. The ponderous wooden apparatus was pulled by a slow moving team of oxen, cumbersome in turning around, and only one narrow furrow was ploughed at a time. Although the oxen were well enough fed during the plowing season, they were semi-starved the rest of the year, due to the scarcity and expense of any fodder in a dry climate.

In the only farm implements store, 25 miles away in the city of Oaxaca, nothing smaller than a medium-sized American tractor stood idly for sale for years, at a price greater than the average peasant might hope to earn in his entire lifetime. Beyond the question of price, the

American tractor was far too large for the small peasant plots, and would be extremely wasteful of space in making turnarounds. Reaching back into his experience as a farmboy, this anthropologist wondered, "Why doesn't someone sell them garden tractors?" The purchase and maintenance expenses of an American garden tractor would be equivalent to that of one of the modest Mexican motorcycles that were becoming common, and the service and repair capability was already in place. Presumably, savings, efficiency, and productivity could be enhanced in several ways.

For many years this anthropologist presumed that wisdom beyond his ken explained the absence of this technological addition. Then, in 1976, he visited a number of agricultural communes in the Peoples Republic of China, and saw garden tractors being used everywhere, alongside hand labor, animal power, and small caterpillar-type tractors in combinations suiting the local budgets. The Japanese had developed the "walking tractor" from American prototypes, he was told, and had invented an ingenious device whereby a simple two-wheeled trailer with seat attached to the front could be attached to the walking tractor, instantly converting both into a highly serviceable utility truck.

There is talk that Japanese are just beginning to market this relatively inexpensive and extremely useful combination in Latin America, but this anthropologist has yet to see it in Oaxaca. As mentioned previously, American farm implements companies are still uninterested in selling garden tractors or any small-scale machinery to Third World peasants. Twenty-two years after first observations in a Zapotec town and with some aspects of agribusiness assisting in the development of socialist counterrevolutions, peasant villagers continue to plow with oxen and digging stick. Nothing has changed during the past two decades in Teotitlan del Valle, except that its population has doubled.

It is possible that Chinese peasants are more productive and soil conserving than those of other Third World regions, and have much practical knowledge to offer them. How many people in Third World countries could make good use of the Chinese walking tractor-utility truck, or the unmotorized bicycle truck? With no cash outlays at all, how many Third World peasant agricultural systems could benefit from the ancient Chinese labor-intensive expertise in building terraces to prevent soil erosion on slopes and hills, or the modern innovation of enlarging tiny fields by levelling hilllocks and burying stream beds in tunnels underground? Will the rest of the world beyond East Asia ever realize the ecological and monetary thrift of recycling human wastes as fertilizer?

To facilitate the transfer of these simple technologies from China to Latin America and elsewhere, cultural brokers are necessary. Anthropologists expert in donor and recipient cultures and subcultures can perform this role.

5. Undergraduate and graduate instruction

By teaching courses on Business Anthropology, anthropologists bring together relevant existing materials and focus their students' and their own attention on this topic. In the process of lecturing and listening to students, gaps and problems in the available knowledge begin to appear, which may lead the instructor to undertake research and publication in this area. The presence of formal courses on business anthropology in the curriculum alerts the faculty and administration of the institution to the new topic and can lead to cross-fertilization. Meanwhile, students are ingesting doses of this knowledge which they will carry into their subsequent careers. Beyond these traditional functions of academia, as John Naisbitt notes, the college is becoming more like a business firm and the business firm is becoming more like a college (personal communication). Corporations in the area who become aware that such a thing as business anthropology exists and is actually being taught may send some of their personnel to the college, or bring the anthropologist to the corporation, in order to acquire a sense of it and see if it has any practical value.

Anthropologists are now introducing Business Anthropology to students. Marietta L. Baba at Wayne State University teaches a course called the Anthropology of Business. At Northeastern Illinois University, Margo L. Smith teaches a course called Topics in Anthropology: Culture and International Business. At the University of South Florida, S. Brian Burkhalter teaches a course with the title The Clientele of Applied Anthropology: Business and Industry. At the University of Nebraska in Lincoln, Daniela Weinberg includes business anthropology content in her course on Anthropology of Organizations. Diane Z. Wilhelm at Middlesex County College in Edison, New Jersey does the same with her course on Comparative Political and Cultural Systems. Several anthropologists teaching in business schools are introducing anthropology into standard business courses: Kenneth N. Ehrensal at the Center for International Business Studies at Pace University, John F. Sherry, Jr. at the J. L. Kellogg Graduate School of Management at Northwestern University, and Brian J. Spooner at the Joseph H. Lauder Institute of Management and International Studies of the University of Pennsylvania. Kenneth A. David, who with Vern Terpstra has co-written the second edition of The Cultural Environment of International Business (1985), teaches a course on business anthropology at Michigan State University (personal communications). At Eckerd College in St. Petersburg, Florida, Hendrick Serrie teaches business anthropology in several course formats, including an overseas field program, and reaches a diverse student clientele embracing American and foreign undergraduates, older people from age 25 on up to retirees, and executive and staff personnel from Tampa Bay corporations. His courses on business anthropology are described by him in a paper in this volume.

CONCLUSION

The papers published in this volume offer a comprehensive view of current research in the field of business anthropology. They have been selected to evoke a sense of the range and possibilities for important exchanges between anthropologists and businessmen, and the objective of this volume will be achieved if it further stimulates a mutual interest between the two.

This leads to a final word about the ambivalence that many anthropologists and businessmen may feel about working with each other. There is no human organization that can generate wealth as effectively as a business firm, and no doubt a businessman's first question will be, "Can an anthropologist really help me make more *money*?" Anthropologists, who have gone through a psychological process that few businessmen experience, of living with an alien community of people for a year or so and coming to understand them on their own terms, of identifying with them and loving them, will rightfully ask, "Will a business firm really help 'my' *people*?" It is this anthropologist's hope that many anthropologists will answer, "Yes," to the first question, and that many businessmen will answer, "Yes," to the second.

NOTES

1. This paper is based in part on the symposium "Anthropology and International Business," organized by the author for the 1983 Annual Meeting of the American Anthropological Association, Chicago, November 16-20; and on a subsequent paper of that title presented at the 1984 Annual Meeting of the Society for Applied Anthropology, Toronto, March 14-18. The author is indebted to Neysa Neumann for her intelligent and indefatigable assistance in the office, on the phone, and at the typewriter. He would also like to thank Dudley DeGroot, Brian Burkhalter, Joe Bearson, Bart Tebbs, and George

Odiorne for reading this manuscript and for their warn colleagueship as professors of Anthropology and of Management.

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CULTURE IN INTERNATIONAL BUSINESS: SELECTING EMPLOYEES FOR EXPATRIATE ASSIGNMENTS

MARGO L. SMITH

The number of business enterprises[1] which participate in international activities is increasing steadily. One indication of this can be found in the International Directory of Corporate Affiliations, an annual listing of publicly held firms, including U.S. companies with foreign parents as well as U.S. parents of foreign companies. Its 1981/82 edition listed 119 pages of companies; the 1982/83 edition the most recent, listed 174 pages of companies, an increase of approximately 47%. To this one must add privately held businesses and partnerships which do business in more than one country, a group of unknown size.

As the extent of international business activities increases, the amount of cross-cultural contact also increases. Employees are travelling from one office to another across international boundaries and working with people from different cultural backgrounds. They are encountering cultural differences in two contexts. In the broader context, they are encountering differences in the entire way of life. This confronts them in their non-working hours. For those who are on long term assignments and have brought their spouses and children with them, the new culture confronts them all the time as they conduct their daily routines. In the narrower context, the expatriate employee is encountering differences in the "business culture," the culture-specific way of doing business in that location.

Successful adaptation to the differences in both cultural contexts is essential for the employee's assignment to be considered successful. If the employee does not adapt adequately to the business culture, it will detract from his job performance; inadequate adaptation to the broader cultural context might well lead to an unsatisfying expatriate experience overall. When the families of the employee cannot adjust to the culture, it can result in the termination of the assignment for the employee and great added expenses for the company. For example, Iodice[2] cites a major American auto manufacturer which spent $80,000 each relocating several upper level managers and their families to the firm's plant in France. When many of the families just could not adjust to the different culture on a day to day basis and returned to the U.S., resulting in a waste of the firm's resources, it hired Iodice, a foreign language specialist, to prepare a language and culture training program for employees and their families scheduled for overseas assignment. (Note that this program was not designed to select the individuals most likely to be able to adapt to a different cultural setting, but to train those already selected.) One of the firms interviewed for this paper, a pharmaceutical company, terminated an employee's expatriate assignment at his request when, after five months, his children were unable to adjust satisfactorily to their new school in Puerto Rico.

The business and popular literature since 1970 has been paying increasing attention to the role of cultural adaptation in the corporation's success. Some articles speak to the success or failure a firm had in targeting its product to or advertising in a new culture (Hill, 1977; Chicago Tribune, 1982). Others point out the importance and necessity of being sensitive to the business culture (Aubey and others, 1974; Behof, 1983; Dennis and Munson, 1983; Greenberg, 1983; Harris, 1982; Japan External Trade Organization, 1982; Krisher, 1982;

Sherrid, 1978; Sklarewitz, 1979; Van Zandt, 1970; Williams, 1983).[3] A third approach taken in the literature is that of Sheppard (1980), who emphasizes that it was the cultural sensitivity of the expatriate employee to the local culture which successfully resolved a labor problem in Malaysia. Another approach indicates the importance of successful adaptation to both the general cultural environment as well as to the specific business cultural environment (Chesanow, 1982; George, 1983; Harris and Moran, 1979; Lapp, 1983; Serrie, 1983). Honeywell, for example, aims at understanding the cultural foundation which underlies the management style (a part of the business culture) of a country in which it operates. It attempts to draw on the unique cultural characteristics and strengths of each management style in order to improve company performance George, 1983).

The broad premise on which this paper is based is that international firms can increase their success if they understand, and behave appropriately in, the culture or cultures of the various countries in which they operate. Those that are more finely tuned to the nuances of the cultural environment will be more successful than those that are not. How and to what extent do firms alter their domestic behavior -- in organization, employee relations, marketing, selecting and orienting employees sent on expatriate assignments -- to better suit the various cultures in which their international divisions are located? For example, several overall strategies which suggest greater likelihood of finding a higher degree of cultural sensitivity in a firm are decentralization (Abbott, 1981), tailored approaches for different markets (Abbott, 1981), the purchase of or merger with an established firm in another country (A. C. Nielsen, 1981), expansion to a country that is becoming more like the U.S. (A. C. Nielsen, 1981), or drawing on the "best" of each culture in which its operations are located (George, 1983).

The research[4] on which this paper is based was conducted primarily in 1982, plus some additional interviewing in 1984. Data were gathered from 15 international enterprises, 14 of which are headquartered in the Chicago metropolitan area. Eleven are publicly held firms; 3 are privately held; one is a partnership. They range in size from a trade development company with a handful of employees to a producer of processed foods with more than 78,000 employees worldwide, but eleven are large firms with easily recognized names in variety of additional industries; health and medical care products, accounting, manufacturing of machine parts, banking, civil engineering, manufacturing of auto parts, electronics, market research, and manufacturing of small home appliances. These firms were not selected randomly, but instead consisted of those which consented to participate in the study within the time parameters available.5

Those individuals interviewed included management level employees who had participated in overseas assignments as well as members of upper level management who determined or worked with those given overseas assignments. The sections of the interviews which are most relevant to this paper focus on (1) to what extent employees are sent to work in a different country, (2) how those employees are selected, (3) what preparation they are given, and (4) to what extent the presence of different cultural factors is recognized in the international operations of the firm.

One of the goals, that reported here, was to identify the range of strategies these firms use to select and orient employees who are to be sent on foreign assignments and who work in their international divisions. How is the selection made from among those employees who have the required technical and professional skills? What kind of cultural orientation or preparation are they given for their foreign assignments? And to what extent does the firm require, stress, look for, acknowledge, ignore, or disregard the employee's cross-cultural skills in making the foreign assignments? Eleven strategies have been identified so far.

(1) The firm hires local nationals in each country as much as possible. Consequently, there is very little or no need to select expatriates. THis is the strategy mentioned most often among the Chicago area firms interviewed. McDonalds', for example, recognizes this as an important key to its success. "The reason we select local nations to either be our partner in an international market or to run the operation for us from a wholly

owned standpoint or licensee standpoint is because we need their expertise and opinion in matters like this." For McDonald's this is part of "how to create the right atmosphere for introducing an American company" (Bockelmann, 1982)> From this perspective, local nationals are assumed to be best aware of how to tailor the firm to the cultural requirements of the host country.

Related to this strategy is that of a major market research firm which, when it expands into a country, merges with an already existing company and acquires a local staff automatically (Joiner notes, 11/82).

In utilizing this strategy, few or no U.S. employees work in foreign assignments. A major pharmaceutical firm, for example, with nearly $1 billion in sales in all geographic regions of the world, sent only four U.S. employees abroad in 1972. In companies which rely on this strategy, those few individuals who are selected for expatriation are given one or more of six purposes: (a) to start up new operations and to temporarily fill vacancies (Davis, 1979:10), (b) to provide specialized training for local employees, (c) to fill upper level management positions or to train local persons to fill those positions,[6] (d) to groom a senior management person, (e) to bring specialized technical expertise, and (f) to negotiate business or to solve a problem at the highest levels.

(2) The firm brings local nationals to work in the U.S. headquarters. This is a strategy used by few companies. Those that do bring few employees. One firm mentioned that it would like to expand this use of its employees. Foreign employees brought to the U.S. usually come for training. They are supposed to speak English adequately before their arrival. One firm has a small group of Japanese, German, Italian, and French employees in CHicago now for one year of training. Their English language skills range from functionally inadequate to quite good. The more fluent English speakers translate for the less fluent on a daily basis. Another firm observes that members of this group "seem to adjust to our culture fairly well" (Joiner notes, 11/82). None of the firms have formal language training or cultural orientation for their foreign employees in Chicago, but

co-workers informally help with problems and include the newcomers in social activities.

(3) The firm creates a "little America" in each country where it undertakes a project. This is the strategy mentioned by an engineering company which undertakes the construction of major projects, such as hydroelectric dams. The company "will provide everything for them (the employees) while they are at the project. ...The company builds a (compound) with everything American from schools to shops for the employees, ... and housing" (Ballate notes, 11/18/82). Employees are not expected to participate in the local culture and are not given any training in or orientation to that culture.

(4) The firm selects volunteers. This is a strategy mentioned by a major accounting firm. The strategy is one of self selection, assuming that those who volunteer will be those who feel they will be or have been able to adjust to a foreign working environment. In this case, employees with technical skills are sent abroad on short term assignments to train local nationals on new equipment and procedures or to solve problems which have arisen. One typical employee has gone on seven international assignments between 1980 and 1984, ranging from one to six weeks each: to London (twice); Montreal and Toronto; Singapore and Hong Kong; Melbourne and Sydney, Australia; Paris; and Mexico City. Foreign language skills are not required because some or all of the local nationals speak English adequately. There is generally little opportunity to participate in the local (non-business) culture beyond superficial tourist sightseeing because the assignments are short and the work routine is intensive. These employees have not noticed any differences in the business culture among the offices in which they have worked.

(5) The firm provides opportunities for employees to select themselves out of the international assignment. This is a strategy used by those companies making long term assignments. Several of the companies send the employee and spouse on a house hunting trip prior to the transfer. The assumption is that a couple will be able to learn enough about a culture in a few hectic days of house

hunting to make an informed decision about whether or not they will be able to successfully adapt to the new location on a long term basis. Those who do not feel they would be able to adapt have the option of declining the transfer after this trip.

(6) The firm selects employees with previous and substantial cross-cultural experience, although not necessarily experience in the location of the assignment. The employee's spouse also has cross-cultural experience. This is a common strategy in the selection of employees for long term foreign assignments, for the highest positions in international divisions, and for headquarters employees who work regularly with expatriate employees. It may not be a conscious strategy for the firm. The underlying assumption is that if an employee and spouse have previous substantial cross-cultural experience, they will be able to adjust more readily to another new culture.

In 1982, a major producer of processed foods sent a personnel executive and his family to Switzerland on a 5 year-to-permanent assignment. During his career, the husband had traveled often on short term assignments to many countries. The couple had spent several years living in Argentina early in the husband's career. In addition, the wife had been raised in Argentina as a result of her father's job assignment.

In another case that year, a diversified corporation plucked an executive from one of its U.S. auto parts manufacturing subsidiaries and sent him to Toronto as president of its Canadian auto parts subsidiary, a permanent assignment. The husband, in this case, had been born and raised in India and educated in the U.S. He and his wife, an American, had adopted two Colombian sons and a multiethnic daughter. He had been selected for the job because management felt he could "make the tough decisions" necessary to turn a money losing operation into a profitable one. He was successful, in spite of a potentially damaging cultural situation; some employees resigned and others were uncooperative at work as a result of local anti-Indian prejudice. The wife, however, after two years, remains uncomfortable with local ethnic prejudices, the lack of spontaneity, public formality, and child rearing practices.

The head of the international division of a major market research firm in the Chicago area was born in Switzerland, and educated in Germany and Switzerland. He is fluent in three languages; French, German, and English (Joiner notes, 11/82).

In a firm which develops, manufactures, and sells medical products, the personnel officer responsible for the logistics of expatriating employees has had extensive cross-cultural experience. She was born in Germany, married an American, and has lived for extended periods in Brussels and the U.S. (Woods notes, 11/30/82). All of these people have demonstrated their ability to live in different cultural settings.

(7) The firm selects an employee with personal skills that will be required in a specific position and country. This strategy was mentioned by the pharmaceutical firm cited immediately above. The firm needed to send an employee to Japan in 1981. "They would need someone with interpersonal skills to be effective, but not overbearing and not too direct. The employee would also have to be willing and able to meet the social requirements of two to three evenings out (each week) with fellow Japanese employees. This automatically eliminated an employee with close family ties" (Woods notes, 12/3/82). The employee selected was a woman, unusual because women are rather rare in Japanese managerial circles and also because this firm usually sends men on foreign assignments. This strategy has been quite successful for the firm. The woman send to Japan has done well on the job in her first year.

(8) The firm expects the employee on a foreign assignment to be able to speak adequately the language of his/her destination. This is a strategy mentioned by a bank, which is adamant that people who work in its international division and/or are sent on any foreign assignments speak well at least one language other than English. To ensure this, interviews for those jobs are conducted in that other language.

Another firm expects that employees sent on foreign assignments have studied a second language and international business at the college level (Wojtas notes, 11/82). One executive, who during his career had long term assignments in five countries in Asia, Africa, and Europe, emphasized the importance of being able to speak the local language well. He was one of very few Americans invited to join the most prestigious businessman's organization in Amsterdam -- an invitation he felt he would not have received had he not spoken the language. The underlying and unarticulated assumption is that the employee will automatically acquire the appropriate cultural skills in the process of learning the language.

(9) The firm expects its local nationals on the management level to speak English and to be skilled in American business culture. Consequently, American employees do not need to learn the local language or culture. This is a common strategy. The market research firm, for example, has annual meetings for the directors of its six geographic territories, as well as additional meetings as problems arise. The majority of these meetings are held in Europe, but the "meetings are always conducted in English, and every area director speaks English" (Joiner notes, 11/82).

(10) The firm sends employees on short term foreign assignments. This is another of the most common strategies used. For most of the firms, a short term assignment refers to those up to about 8 weeks in length, although one firm considers "temporary assignment" as one lasting up to 2-3 years. Those selected for short term assignments are usually selected to provide specialized training for the local employees, to transfer a specialized technical expertise, to negotiate a business deal or to solve a problem at a high level. Those people are not expected to have the specific langauge or cultural skills of their particular destinations and such skills are not provided by the company.

The firms using this strategy could be underestimating the importance of language and culture. In every case, even for a short term assignment, the employee is a representative of the company and might jeopardize the success of the project (for example, negotiating a contract) by behaving "improperly." in one case, the market research firm sent a group to Morocco for a week to inform the French-speaking Arabs of the services which their firm could provide. A formal dinner was given by their hosts.

"After they (the Americans) washed their hands at the table, they were expected to eat with (their) fingers. (Some) did not want to eat stuffed carp with (their) fingers, so they refused to eat" (Joiner notes, 11/82; emphasis mine). Later, "on the free day, the hosts arranged a visit to a small village that sold crafts. hard to get rid of" (Joiner notes, 11/82; emphasis mine). What kind of an impression must this behavior and attitude have made on the hosts?

(11) The firm provides language training and cultural orientation to those employees and their families who are sent on foreign assignments. This strategy is restricted to those few upper level management employees who are expected to be on a foreign assignment for an extended period of time, generally longer than one year. This preparation varies from superficial to intensive or comprehensive.

The family cited above which was sent to Switzerland attended company-sponsored French classes for about two months prior to their departure. On the eve of their departure, the wife and grade school age child still did not feel confident about being able to manage linguistically in a French-speaking city. Their knowledge of Switzerland had come from a brief house hunting trip and what they could find on their own in their public library. After two years in Switzerland, the wife spoke eagerly about her travels to England, France, Italy, and Portugal. She was uncharacteristically silent about her satisfaction with day to day Swiss life.

Another firm, one of the pharmaceutical companies, provides foreign language training for the employee and spouse (but not dependent children) prior to departure and continuing in the new location. Their employees are not transferred until they have attained an "acceptable" level of language proficiency. Language training is made available to children in the new location to enable them to function adequately in school (Searle, 1979).

Some cultural orientation appears to be very focused. The Parker Pen Company has prepared a detailed guide on international business gift giving customs (Reardon, 1981), a specific list of what makes an appropriate gift, how it should be wrapped, and how it should be given in those parts of the world which have substantial amounts of international business activities. KLM, the airline, has prepared a business travel guide which summarizes in an 82 page nutshell useful information on the Arab culture, getting around on a day to day basis, and some specifics of Arab business culture. The pre-departure course sponsored by an auto manufacturer focuses on daily living for the families of employees sent to France. It does not cover the specifics of the French business culture at all on the assumption that the employee will already know it or learn it on the job (Iodice, 1979).

Few orientation programs are more comprehensive. A Chicago based consulting firm, Systran, provides extensive written material and two-day long courses about the culture of the place of destination to employees and their families about to be transferred (Phillips, 1979). This program seems to place emphasis on cultural nuances including the role of women and other intangibles of business and daily life.

The pharmaceutical firm provides an orientation to business culture as well as a general cultural orientation. The employee "received a week long orientation in Hawaii on her way over (to Japan). This included. . . specific cultural nuances that are related to business. She went through simulated meetings and even a simulated business dinner" (Woods notes, 12/3/82). This firm is also the only one which regularly calls on previous expatriates to aid in the orientation of those about to be transferred abroad (Woods notes, 12/3/82).

It should be pointed out that these strategies are not mutually exclusive. Most firms utilize several strategies. For example, the accounting firm hires local nationals, selects volunteers, relies heavily on short term foreign assignments, and expects business to be conducted in

English; in addition, it brings some local nationals to Chicago. One of the pharmaceutical firms hires local nationals, sends employees on both long and short term assignments, provides language and culture training, and selects employees on the basis of personal characteristics compatible with the other culture.

In conclusion, international businesses take advantage of a variety of strategies to minimize the adverse consequences, rather than enhance the positive consequences, of cross-cultural contact for employees (and their families) who are sent on expatriate assignments. For employees sent on short term assignments, there is no awareness or formal recognition of the importance of cultural skills which enhance cross-cultural adaptation, even though such skills might determine the success or failure of the assignment. Only one of the firms studied had even an informal strategy, the volunteer, which would increase the likelihood of sending an employee more able to adapt to a different cultural setting. For long term assignments, companies are more consciously aware of the importance of being able to adjust to new every day and business cultures. They use several formal and informal strategies to select employees who will be able to fit in with the new culture.

NOTES

1. This paper is a revised version of one prepared for the symposium "Anthropology and International Business" at the annual meeting of the American Anthropological Association, November 20, 1983, Chicago.

2. Donald Iodice, personal communication, 1979.

3. They deal with Latin America, Western Europe, and China, but primarily with Japan. Each views the business culture of the foreign location as a homogeneous one, even though American business culture is viewed as a heterogeneous one (Ragan, 1983).

4. Conducted as part of the author's course, ANTH 240F; Topics in Anthropology, Culture and International Business.

5. The author thanks students Ariel Ballate, James Fabrie, Mattie Sue Joiner, James Wojtas, and Diana Woods for their help in interviewing some of the firms discussed in this paper.

6. Both companies which mentioned difficulty in finding "suitable" local nationals to fill management positions referred specifically to their Latin American operations.

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MANAGING THE MULTINATIONAL FIRM: FINDING THE RIGHT EXPATRIATE FOR THE JOB[1]

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Managing a corporation that operates simultaneously in two different environments requires two sets of managers and a multicultural perspective. As competition for foreign markets intensifies, success in international business depends increasingly on a company's ability to adapt to cultural differences between the home and host countries (Dotlich 1982; Prasad and Shetty 1976; Terpstra 1978). Firms facing increased competition abroad have been forced to reevaluate management strategies that are culture bound and inappropriate. Costly mistakes have forced many companies to adapt corporate policies and organizational structures to the cultural environment in which they operate (Boddewyn 1970; Lane 1980; Rehfuss 1982).

Research in comparative management and the adaptation of foreign multinationals to host environments is abundant (Boddewyn 1970; Davis 1971; Haire, Ghiselli and Porter 1966; Negandhi and Prasad 1971; Prasad 1967;

Schollhammer 1969). Studies have addressed various issues, including contrasting cultural environments (Lane 1980; Terpstra 1978), political considerations (Shetty 1979), opposing values of management personnel (Rehfuss 1982), and communication problems (Hofstede 1980). There have also been a large number of studies of management personnel employed by multinationals, including Galbraith and Anders (1976) and Haire, Ghiselli and Porter (1966).

Headquarters staff and top executives abroad are traditionally native to the home country. Home country personnel understand the firm's corporate culture and are familiar with corporate policy (Daniels, Ogram and Radebaugh 1982; Kolde 1982). Host country nationals[2] and third country nationals rarely hold top executive positions, but often serve as middle managers in foreign divisions. Occasionally, some are employed at corporate headquarters (Perlmutter and Heenan 1974).

Studies of personnel employed by American multinationals often focus on the selection and training of expatriate managers[3] (Borrman 1968; Edstrom and Galbraith 1977; Heller 1980; Lanier 1979; Miller and Cheng 1978; Rehfuss 1982; Tung 1979). There is often a difference in perception between what management sees as qualities necessary for an expatriate to possess and what those characteristics are. Several studies have shown that American firms typically send personnel to foreign subsidiaries because they known the American management style, even though people chosen for expatriate assignments because of home country success may not possess the qualities of an effective manager in a foreign environment (Ivancevich 1969; Perlmutter and Heenan 1974; Prasad and Shetty 1976).

Many corporations have found that it pays to select adaptive people for expatriate assignments. Firms that adequately train and prepare managers before their assignments can save both time and money. The failure rate for expatriates is often very high (30%) and always very costly)Rehfuss 1982). Early returns are due largely to the inability of the expatriate's spouse or family to adjust to life in a foreign environment (Hofstede 1980, Tung 1979). The expatriate's inability to live abroad and work effectively in a foreign business culture may also force an early return.

Some corporations offer employees training in international business and intercultural communication before considering them for expatriate assignments (Dotlich 1982; Rehfuss 1982; Robock and Simmonds 1983; Tung 1979)> Most firms, however, wait until an employee has been selected for a position abroad before preparing him or her for the assignment.

Orientation programs for expatriates vary from company to company (Labovitz 1977; Lanier 1979). Programs may include information sessions about the host country, language lessons, and short trips to the host country before the assignment begins. Companies that send large numbers of expatriates abroad are more likely to spend time and money on orientation (Daniels, Ogram and Radebaugh 1982; Prasad and Shetty 1976).

In response to a relative lack of published studies that present descriptions or analyses of actual training and/or orientation programs,[4] I began a study in 1983 to research programs currently in use. Corporations engaged in a variety of international business ventures, including banking, manufacturing, construction, computers, and electronics, were targeted. All of the firms had headquarters in northern California.

As the study began I soon realized that few multinationals in northern California had actually developed formal management training programs for expatriates. Most firms do offer some form of orientation for managers departing on assignments, but only a few have explicit orientation policies. Several executives pointed out that corporations do not train employees for expatriate assignments. Employees considered for assignment are supposed to have already acquired the necessary skills.

I also discovered that the size of a firm's expatriate population is no indication that a firm offers training or orientation for its employees. The size of a firm's foreign operation is also not a factor. One large oil company with several international divisions claims that it no longer sends managers on expatriate assignments.

A scarcity of formal training programs would explain the lack of published studies, but it would not account for the general belief expressed in the literature that such programs exist. Even the American Anthropological Association, in its publication Getting a Job outside of the Academy (1982), notes that "corporations relocating personnel overseas typically provide language/culture orientation for those personnel and their families."

Some corporations are secretive about employee training and this factor may contribute to the lack of published data. I also discovered that an April 1982 symposium on international business, sponsored by the Bay Area and the World Project, revealed a need for cross-cultural training in California that was not being met. Participants were concerned with developing cross-cultural skills, but were unaware of the local services available to them.

A variety of private consulting groups and non-profit organizations in northern California offer cross-cultural training and orientation programs, including the Stanford Institute of Intercultural Communication, the Monterey Institute of International Studies, Transcultural Services, the Intercultural Relations Institute, and Small World, Inc.

If a need exists for cross-cultural training in northern California, why is the demand not being met? Have corporations succeeded in defining their needs? Which firms use in-house programs for the selection and training of expatriate managers, and are their methods effective? Do companies turn to outside consultants? Where do managers acquire their intercultural management skills?

I chose to broaden the study to examine these and other questions. My goals were to determine how corporations define/meet their personnel and training needs, and to discover if and how companies select the most effective manager for an expatriate assignment and prepare him/her for going international.

The preliminary findings of the study are presented in this paper. Data was collected through interviews with executives who are responsible for the selection of managers for international assignments, individuals who conduct orientation or training programs, and managers with recent expatriate experience. Employees from 12 multinationals participated. Interviews lasted 1-2 hours and covered the following major topics: 1) use of home country personnel abroad; 2) evaluation of intercultural skills; 3) selection of managers for expatriate assignments; 4) training and/or orientation for expatriates and family members; and 5) repatriation.[5]

Use of Home Country Personnel Abroad

At one time all of the firms filled top foreign positions with home country personnel. Today, only two firms (both high technology) maintain this strategy. The other ten companies employ a combination of expatriates, nationals, and "international managers" (third country nationals with experience in several countries). All of the firms staff the highest position in a foreign division with either an expatriate manager or an international manager. This policy helps to ensure that corporate policies and values are adhered to abroad. Home country personnel may also be sent on assignment to solve technical problems, to teach technical skills, or simply to give managers experience in international business.

Women are rarely given expatriate assignments. This is due, in part, to the fact that few women reach management levels considered for international assignments. Other factors include the needs of a working spouse, location, and cultural differences. Several executives stated that they would not consider women for expatriate assignments in Japan, Latin America, or the Middle East.

The primary reason cited for not employing more home country managers abroad was financial. The salary of an expatriate manager is 3-4 times that person's domestic salary. When living abroad, employees are compensated for cost of living differences and comparable pay. There may also be hardship allowances for such factors as one's spouse being unable to work while living abroad, the cost of private schools for children, differences in food and "culture shock." In northern California, where the cost of living is high, a firm can spend $150-200,000 relocating a manager overseas.

Several companies indicated that they were cutting back expatriate costs with increased use of short business trips (one week to six months) over traditional expatriate assignments of one to three years. Temporary assignments save corporations the cost of relocating family members and decrease the risk of an employee returning before the assignment is completed.

Other reasons for limiting the number of home country managers abroad include a sensitivity to cultural differences and an awareness of their potential impact on a firm's success overseas. Most of the managers interviewed expressed concern for differences in business culture, "national culture," and social organization between the home and host countries, and stressed the need for individuals and corporations to be flexible and adaptive when going international.

A majority of the firms attempt, in some way, to adapt management policies to the host environment. One manufacturing firm, for example, develops its marketing strategies and advertising campaigns at the subsidiary level. The subsidiary's marketing department is allowed to function in a manner consistent with host country standards, as long as such behavior conforms to the corporate value system. Potential advertising programs are sent to corporate headquarters for review before they are implemented to ensure that the company's image is maintained.

Each corporation relies heavily on host country personnel to aid in its adaptation to the host environment. Most firms hire middle management personnel who are local business people, or people already employed by an existing firm that is being taken over. Some employers actively recruit nationals who currently reside in the U.S. For example, one leading computer firm operates a college recruitment program designed to recruit nationals who are completing their education in the U.S. After working one to two years in the U.S., employees are transferred to their home countries to assume top positions.

Expatriate assignments are mandatory for one of the firms. This corporation is one of two high technology firms that runs their international divisions in a manner identical to their headquarters operations. The other ten corporations give employees the option of accepting an expatriate assignment. Three of the firms, however, have corporate policies stating that international experience is a prerequisite for promotion to a top executive position. These corporations view the overseas assignment as an educational experience and a necessary step up the corporate ladder.

At one time, expatriate assignments were also perceived as a means for people who were not advancing in the corporation as quickly as other to better their chances for promotion to a higher position. In companies where employees were given the option to go overseas, top managers might remain at corporate headquarters, while less talented people represented the firm abroad. Several individuals suggested that this trend may have contributed to past corporate failures, but also stressed that greater emphasis on international experience at the executive level now serves as the primary motivation for accepting expatriate assignments.

As international business opportunities expand, greater numbers of managers with expatriate experience are developing careers as "international managers". For example, a Brazilian national with experience in both a firm's U.S. headquarters and its subsidiary in Brazil may become familiar enough with corporate values and goals to be offered a top management position in another of the firm's foreign subsidiaries.

Several reasons were given for the increase in career expatriates. Managers returning home to find no job with their corporation may be sent abroad again by another multinational. Others prefer to travel and live in a variety of international locations.

Evaluation of International Skills

None of the corporations require specific qualifications, education, or training for expatriate managers. Nor are there formal selection procedures. Candidates are chosen primarily for their technical competence, although corporate executives consistently mentioned technical ability more as a skill that is taken for granted than as a primary qualification. On the other hand, several expatriates indicated that they had been pressured by host country personnel to justify their presence in a foreign division by stressing their technical competence.

Education may not be considered an important asset to firms seeking to fill positions in international divisions. Executives indicated that they would not hire someone with an international degree in business unless that person had experience abroad. Corporate headquarters and foreign subsidiaries are staffed with foreign workers and Americans who have already proven themselves to the firm.

Besides technical expertise, managers are chosen for expatriate assignments because they are flexible[6] and have the ability to communicate cross-culturally. Communication is important to multinationals. Corporations strive to maintain good communication between headquarters personnel and foreign division heads. It is also important that expatriate managers be able to communicate with host country personnel. One top American executive cited communication problems between himself and top host country personnel as his reason for taking early retirement eight months into an expatriate assignment.

Few corporations have designed programs for evaluating an employee's ability to adapt in a foreign environment. Several managers indicated that their companies do not look for the qualities desired in an expatriate before they need to send a person overseas. At that time the person most technically qualified is considered for the assignment. Unfortunately, other qualities desired in an expat may not have been considered when the person was promoted into the position that qualified him or her for the assignment.

How prepared are managers for an expatriate assignment? According to former expats, American managers with no prior experience abroad have little understanding of the foreign environment to which they are being sent. Most American business people have been schooled solely in American business theory, with little or no education in international affairs or foreign languages. Because of their ignorance, few managers are prepared to adequately research an international assignment before deciding whether or not to accept the move. Most people request information pertaining to family needs and compensation, but rarely inquire about cultural differences or host country management styles. Expatriates rely on their supervisors and orientation experts for information and guidance in making their decision. In one firm it is the person responsible for the company's orientation program who ultimately decides whether an employee and his/her spouse will be sent abroad.

Training and Orientation

Intercultural management skills are important to an expat's success overseas. Some corporations offer programs to develop intercultural skills. Bechtel corporation, for example, offers seminars in cross-cultural communication. "Due to the nature of Bechtel's business, it is incumbent upon everyone to develop an awareness of cultural differences and the importance of effective cross-cultural communication" (Loewenthal 1981).

One corporation, a manufacturing firm, has a policy of "succession planning" (manpower forecasting). Potential successors for current expatriates are lined up, their skills are evaluated, and they are trained in intercultural communication and adaptation before they are considered for an assignment abroad. International management development programs such as this are somewhat unique in U.S. firms, although companies employing them find such programs to be cost-effective and productive (Dotlich 1982).

Although corporations place little emphasis on intercultural management training, most firms offer some form of orientation for managers selected for expatriate assignments. Company policy, cost, individual needs, length of time a person will be gone, and the amount of time before a person is to leave influence the degree of preparation given to an employee. An individual may be sent immediately overseas, or he or she may be given a week to a year's notice. Most firms attempt to give employees at least a month's notice.

Orientation programs vary in length from a few hours to a few weeks. Companies assume that the expatriate is already familiar with the company's foreign operations and has acquired the business background necessary for the assignment. Therefore, sessions focus on financial counseling, general information about the area, and possible language lessons. Orientations are on an individual, as-needed basis. Although some firms employ outside consultants, most provide short in-house information sessions with a personnel manager, possibly supplemented with a film.[7] Corporations also rely, to a great extent, on self-imposed training/orientation.

Two corporations offer formal, in-house orientation programs. Both have been designed by individuals who have lived abroad as expatriate spouses. One firm, a large engineering corporation, offers employees a three-phase orientation program. The first session presents information designed to introduce an employee and his/her spouse to the geographical area they will live in. A second session educates them broadly on the subject of culture. The general culture session is then followed with a session on the culture of the host society in which the expatriate will live.

Another corporation, an electronics firm, offers a surprisingly extensive expatriate program. The program begins with an orientation session, lasting roughly four hours, during which life overseas in general is discussed. At this time the employee and his/her spouse are also prepared for their "prior visit."[8] A four to eight hour follow-up session is held after the prior visit to provide information that is more culture-specific. Employees are encouraged to gain a clear understanding of the host society before the assignment begins.

An employee is also assigned a "sponsoring spouse" in the host country. The sponsoring spouse aids family members in their adjustment to their new environment. The corporation recognizes that adaptation to the host culture, especially adaptation for the expatriate's spouse, can be crucial to the success of an international assignment.

Besides arranging for someone overseas to lend support to the expat and his/her family, this firm also requires an expatriate to leave a sponsor in his/her home office. The sponsor acts as a liaison between the expatriate and his/her division. He/she keeps in touch with the expatriate to lend support and inform him/her of corporate policy. He/she also makes sure that people in the home office are aware of the expatriate's accomplishments and "impending return."

Repatriation

The most difficult part of an expatriate assignment, for both the corporation and the employee, is the employee's return (repatriation). Not all employees return on schedule. Early return rates tend to be high and corporations don't like to discuss "mistakes." The reasons given for 90 percent of early returns center around family problems. Perhaps the greatest reason is a spouse's inability to adapt to the host culture. Early returns cost both emotionally and financially.[9]

Expatriates who complete their assignments also face problems when they are repatriated. Returning managers often discover that their newly acquired skills are not appreciated at corporate headquarters. Some expats have found that their trips abroad have not resulted in anticipated promotions, or, even worse, they have discovered that the individuals who originally replaced them have since been promoted. It is also common for an expatriate to return to a company that does not have a job for him/her.

Several executives voiced concern for the lack of specific job assignments given to returning expatriates. Supervisors may instruct returning employees to wander around, "readjust," and look for some project that he/she is interested in working on. Some managers conceded that returnees have been forced to seek employment elsewhere because of a loss of position in the firm.

Corporations deal with repatriation in a variety of ways. One firm stresses the"wander around" policy because executives have been unable to design a better repatriation procedure. Another firm gives expatriates new assignments immediately, believing that it does more harm than good to leave them without the security of a job assignment.

Managers with recent expatriate experience also spoke of the lack of preparation given to expatriates and their families before their return. Most expats are unaware that they will experience culture shock when returning to the U.S. Families discover that they must readjust again to a new culture, one that has continued to change while they were away remembering "how it is back home."

Discussion and Conclusion

Effective management in international business requires intercultural skills and cross-cultural strategies. Although corporations may be aware of the challenges facing international business people, few corporations have implemented programs aimed at increasing a firm's competitive edge through management training and more effective selection and orientation procedures.

American multinationals with headquarters in northern California appear sensitive to the cultural environment of international business. They understand that cultural differences exist between the home and host countries, and recognize that such differences can either inhibit or enhance foreign business operations. When going international, most firms adapt corporate policies to meet host country standards. Many companies hire and promote large numbers of host country nationals and people with international work/living experience.

This apparent sensitivity to the host culture may be due, in part, to the multicultural business environment found in northern California. There is an abundance of bicultural workers employed by multinational firms, and large numbers of foreign students are enrolled in California business schools. The cosmopolitan environment may provide a positive incentive to develop multicultural strategies and goals.

On the other hand, corporations continue to employ American management personnel in top foreign positions. This ethnocentric policy serves as a control mechanism and helps to ensure that subsidiaries maintain their American identity. In other countries, corporations like Nestle and Unilever have developed multinational staffs and seek to be identified more as transnational, than multinational, corporations. While American multinationals may adapt specific business practices to the host environment, firms rarely develop international management perspectives. For example, firms often require executives to gain international experience, yet the international expertise acquired by expatriate managers is commonly ignored. Rather than promote the development of international management staffs, American multinationals work to repatriate employees to the American business culture.

There are several reasons for the ethnocentric management perspectives found in U.S. multinationals. American business theory, a traditional lack of attention given to the study of foreign languages and cultures, and the past success rate of American firms contributes to the failure of American corporations to adopt an international perspective. Another factor is an emphasis on short-term vs. long-range planning. Management development programs, early identification of prospective expatriate managers, intercultural training/orientation, and repatriation programs all require long-range planning and do not conform to U.S. management styles.

Increased competition from abroad is forcing American firms to redefine management needs and change existing policies. Corporations that have implemented training and/or orientation programs have found that long-range planning and preparation are cost-effective and productive. An early return rate of .5 percent, cited by one firm, is well below the 20-30 percent national average.

Current interest in intercultural training centers around the development of short-term orientation programs for expatriate managers. Orientation programs are gaining in popularity as the subject of expatriate assignments becomes a more common topic at business and trade association meetings, and as corporations learn more about services available to them. Advertising campaigns stress that "errors costing billions of dollars a year can result from cultural misunderstandings," and assure corporate executives that "...competence in working with people of different cultures is the requirement for success in the international arena" (Copeland Griggs 1983).

While orientation programs can be of use to departing expatriates, they do little to solve long-range problems associated with intercultural training. It is unlikely that intercultural management development programs will become widespread, however, until American business culture matures and U.S. multinationals recognize the competitive advantages of international expertise.

NOTES

1. This is a revised draft of a paper presented at the session on Anthropology and International Business, American Association Annual Meeting, Chicago, 1983. It was originally titled: "Managing the Multinational Firm: Corporate Training Programs."

2. In international business, the term "national" refers to a person who is either native to the host country or native to a third country.

3. An expatriate (or expat) is a home country employee who is sent on assignment to a foreign subsidiary.

4. Both Honeywell (Dotlich 1982) and Goodyear (Prasad and Shetty 1976) have management development programs that have been discussed in the literature.

5. Repatriation refers to an individual's readjustment to his/her home culture.

6. Flexibility refers to a person's ability to adapt to a foreign culture.

7. One of the more popular films being marketed is "Going International," produced by Copeland Griggs.

8. A prior visit (also called a pre-visit) is a short trip of 3-14 days. Firms may send employees and their spouses to a foreign location prior to the start of their assignments. Prior visits are often house hunting trips.

9. One executive noted that an early return from the Middle East cost her company $150,000.

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INTERCULTURAL TRAINING: AN OVERVIEW OF THE BENEFITS FOR BUSINESS AND ANTHROPOLOGIST'S EMERGING ROLE

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The familiar portrait of the "Ugly American" reflects the behavior of individuals working and traveling abroad who are unaware of, or insensitive to, the customs and beliefs of their hosts. While social and diplomatic blunders may have been embarrassing, relatively harmless and even humorous in the past, they are now receiving special attention. Careless behavior towards people with foreign cultures and languages that has previously cost Americans respect overseas is now costing American business billions of dollars a year (Oldenberg 1984:5). Many expensive international corporate blunders can be prevented with a little general intercultural knowledge and specific cultural adaptation skills. Therefore, American multinational corporations are paying increased attention to, and anthropologists are preparing to play an important part in, the transfer of skilled intercultural behavior.

Employees with overseas work assignments can develop their ability to adapt and function more effectively by participating in intercultural training programs. These programs orient the employee to the specific foreign culture as well as introduce adaptation skills which transcend culture-specific events. In addition to providing knowledge and skills, intercultural training explores attitudes and perspectives about American and foreign cultural values which help trainees perceive the impact of culture on human relations and cross-cultural business transactions. Intercultural training offers more than a guidebook list of appropriate and inappropriate cultural behaviors; it provides trainees with the opportunity to learn and practice skills necessary for the assessment of a wide range of cultural interactions and the flexibility to create event-specific responses. By adding intercultural skills to their professional and technical skills the employee is less likely to offend foreign counterparts, misread signals that could lead to future business opportunities, or make financial and interpersonal mistakes. Ideally the entire gamut of overseas business operations can be enhanced.

Anthropologists have a unique role in both the development of international business and intercultural training. The methodological and theoretical expertise of the anthropologist is vital to the structure of the intercultural training program that international business firms can present to their employees. This expertise comes from ethnographic and ethnological skills, as well as the experience that the anthropologist has in living with, and interpreting, other cultures. The holistic perspective allows the anthropologist to focus on the totality of the other culture, not on lists of "dos and don'ts" found in superficial versions of such training that are, in fact, meaningless in sophisticated interactions.

The purpose of this presentation is to provide a brief overview of intercultural training, the benefits for business, and the role of anthropologists. Anthropologists can, and should, become actively involved in this kind of training in the international business community. They have much to contribute and are also in a position to enrich their own perspectives. It is hoped that the following information will serve to motivate anthropologists to participate more fully in international business and intercultural training activities.

THE USE OF INTERCULTURAL TRAINING

Because intercultural training tends to improve the effectiveness of many operations where people come together from different backgrounds, it has been used by a wide variety of clients, including those in business, government, education, and non-profit associations and agencies. Businesses such as General Motors, AMOCO, Dow Chemical, Coca-Cola, and John Deere Tractor Company have used intercultural training workshops as part of their selection, preparation, and human resources development programs. Technical advisors, supervisors, managers in personnel departments, and family members are just a few who have benefitted from intercultural training. Most training is done for personnel preparing to work overseas, yet, ideally, training should also be made available to workers in domestic intercultural situations. Since the workplace is often a multi-cultural environment, many businesses can benefit by introducing the basic elements of intercultural training to their domestic employees, as well as employees with international assignments. Employees can learn better ways to communicate with those different from themselves, and the training can be used as an aid to general organizational growth and development.

THE NEED FOR INTERCULTURAL TRAINING

Rose Hayden, the president of the National Council on Foreign Languages and International Studies in New York, points out that "more than 6,000 companies have some sort of operation abroad and about one-third of all U.S. corporations' profits result from international activity" (Oldenberg 1984:5). Providing intercultural training for personnel going abroad benefits the individual as well as the overseas project. Increased sensitivity to foreign customs and business practices decreases the chance of offending foreign counterparts and improves the chances of successful business transactions. Employees without pre-departure preparation are at a disadvantage in business negotiations. For instance, a business buyer negotiating a deal with a Japanese manufacturer's representative must be prepared to bargain in a different fashion than he would in the same situation in the United States. After hearing the bid, the Japanese businessman may sit back and assess the offer without discussing his thoughts with the American. The American may misinterpret the silence, and in an effort to close the deal, raise the bid. This may be followed by more silence on the part of the Japanese businessman. The American businessman, unaccustomed to this reaction, may continue to raise the bid only to realize afterwards that he has overpaid (Ricks 1974:57).

Even if the language is the same, differences in customs can lead to misunderstandings which may hurt business relationships. An American commenting on a failed business venture in England said "I wish I had known during these negotiations that when a Briton shakes his head up and down, it means that he hears you, not that he agrees with you (Ricks 1974:56). Hayden notes that "relatively few American businessmen understand the culture, the customs, or even the langauge, of the foreign buyer. As a result we lose our competitive edge" (Oldenberg 1984:5).

Additionally, the consequences of poor adaptation to an overseas assignment are significant for business since the failure rate (as measured by early returns) costs the business manpower and funds. "The premature return of an overseas employee, a spouse and two kids, can cost a company more than $210,000, not including the opportunity costs of lost contacts, reduced productivity and other intangibles" (Oldenberg 1984:5). The ability of workers to adapt to overseas assignments varies, yet there is a clear relationship between failure rate and lack of training. As reported in the Washington Post, "The normal failure rate in a country such as Saudi Arabia is 68 percent of those with no training in cross-cultural living. They either give up and go home, or in unusual circumstances, stick it out and continue to suffer serious problems. Even a country as similar to the United States as England, where language differences are minimal but cultural values differ, had a failure rate among untrained Americans of 18 percent" (Oldenberg 1984:5).

Intercultural training can make a surprising difference. Gary Lloyd of the Business Council for International Understanding Institute (BCIU) cited "a BCIU-trained project in Saudi Arabia with the Saudi

Petrochemical Co., where 600 Americans suffered no failures" (Oldenberg 1984:5). He also described an "F-16 manufacturing project in Western Europe, where Pratt and Whitney trained 47 families it sent and had no failures--but General Dynamics, at the same project, did not train its employees and had a 37 percent failure rate" (Oldenberg 1984:5). Those workers who participate in pre-departure orientation training are more likely to complete their stay and work more effectively while abroad. The book International Business Blunders (Ricks, Fu, and Arpan 1974) includes descriptions of over one-hundred business blunders that businessmen have made in foreign countries which a little knowledge cold have prevented. Arming the employee with basic cross-cultural knowledge and skills is an investment which can potentially produce smoother business transactions and increased productivity.

WHAT IS INTERCULTURAL TRAINING?

In its simplest form, intercultural training is any training which is interculturally sensitive. It is a hybrid of the academic disciplines of intercultural communication, cross-cultural psychology, international management, cultural anthropology, and area studies. THe above content areas are combined and presented in training programs to give participants the necessary information, skills and attitudes to adapt, and potentially adjust, to living and working in a cultural environment other than their own. Much of the training focuses on communication in intercultural situations.

An intercultural situation exists when any two or more people come together who have been socialized differently, for example, working in a country other than your own, teaching in a desegregated school, or working with immigrants. An intercultural situation can be international or domestic. The terms intercultural and cross-cultural are often used interchangeably and refer to interactions across cultural boundaries, usually involving two or more different countries. The term inter-ethnic is most commonly used to refer to intercultural activities within the same country (the United States has many different cultural groups within its national borders and the training in this arena could be referred to as inter-ethnic training), although most trainers seem to prefer the intercultural and cross-cultural terms for both international and domestic activities. Intercultural situations can arise for overseas business personnel, students in foreign exchange programs, diplomats, technical assistance advisors, Peace Corps volunteers, international researchers, foreign students in the United States, military personnel, migrant workers, residents in integrated neighborhoods, ethnic groups forced to relocate, language interpreters, and members of bi-lingual education programs.

The training may be area-specific or may be a general orientation to living and working in another culture. Many of the training processes and concepts are the same, since they focus on skills necessary for successful orientation and adaptation.

Training programs are usually short-term. They can be as brief as one-day sessions or continue over several months with the participants meeting once or twice a week. If the individual is preparing for a long-term immersion in a foreign culture then a one or two-day workshop would not be recommended. There is not enough time to cover the wide spectrum of information and experiences that the training is designed to deliver. Some training professionals feel that a short workshop which does not allow enough time for the participants to integrate and process the information and their feelings is worse than no training.

Intercultural training programs occur at three significant times: the pre-departure orientation, usually begun several months before the individual is scheduled to leave; the in-country orientation, which takes place after the individual has arrived in the host country; and the re-entry orientation, which should occur within the first month following the individual's return. The most successful projects incorporate all three programs in their intercultural training package and include training for the employee's spouse and children. Sometimes follow-up training is offered. This occurs within the first year following the individual's return. It is often used as a vehicle for exchanging cross-cultural experiences and exploring ways to incorporate the lessons learned from these experiences into future life and work events.

THE DEVELOPMENT OF INTERCULTURAL TRAINING

The field of intercultural training became prominent during the mid 1960's. Before that time linguists, anthropologists, psychologists and educators had all looked at communication and lifestyles across cultures. Linguists studied the communication process across cultural barriers. Anthropologists interested in culture and personality during the 1930's and 1940's wrote about the psychological characteristics of a culture; for example, Ruth Benedit's Chrysanthemum and the Sword (1946) described the "national character" of the Japanese.[1] Psychologists looked for behavioral characteristics that could be recognized across cultural boundaries and educators struggled with the development of cross-cultural programs such as bi-lingual education. These efforts produced primarily descriptive accounts of communication processes at their best and simplistic national stereotypes at their worst. This work was, and remains, an important contribution to the field of intercultural communication.

THE EVOLUTION OF INTERCULTURAL TRAINING APPROACHES

Two very important elements that have grown to be the hallmark of intercultural training are the identification of skills necessary for successful adaptation to a foreign culture, and the means for delivering the knowledge, skills and attitude change to perspective travelers. These are incorporated in most of the training done today and grew out of trial and error approaches to training over the last twenty years.

When intercultural training began, instructors employed the so-called "university model." This model was based on the classroom style of instruction and relied primarily on lecture and presentations. The participants played a passive role, taking notes and watching films about the country they were going to be visiting. The problem with this approach was that the participants left the training armed with facts but with little sense of the way their experience might feel. They usually received a lot of information about the geography, climate, local customs and language but learned very little about the process of adapting to a foreign culture and the skills necessary for successful adaptation.

By the late 1960's the "sensitivity training" model was embraced and replaced the university model in popularity. The sensitivity training model incorporated techniques popularized by the proponents of encounter groups. This approach involved getting in touch with one's feelings and trying to "experience" what it would be like to be a "stranger in a strange land." Too often the people running these groups were not qualified as therapists. Some encouraged participants to share their feelings, but were unable to continue effective training when these sometimes explosive feelings were really expressed. On the other hand, if such trainers could handle the emotional content in these sessions, they often neglected important factual information about the host country.

It became apparent that neither approach adequately addressed the needs of the traveler preparing to live and work overseas. Eventually a new, integrated model appeared. This "cognitive/experiential" model incorporates the most useful techniques from previously tried approaches. It provides the participants with the necessary factual information and allows room for experimenting with feelings related to the process of adapting to a foreign culture.

It is important to note that this model is primarily an experiential model; the participants are involved in many different exercises which are designed to allow them to address issues related to adaptation rather than passively hearing about what entry into a foreign culture will be like. During training the participants learn from their own experience; their motivation is internal and grows out of the recognition of the usefulness and significance of the learning itself, rather than being motivated by external reward or punishment. This model is based on adult learning theory.2 In this particular model, each segment of the training is designed so that there is an "event" followed by a "summary" of the event, a "generalization" of that experience to other contexts, and finally the "application" of what has been explored to the "real world" outside of the workshop setting. This learning cycle is repeated for each exercise to ensure that the training maintains relevance. This format encourages the use of several different methodologies such as case studies, critical incidents, and simulations. Variety keeps the training interesting.

INTERCULTURAL TRAINING METHODOLOGY

A variety of content and methodology can be applied to the adult learning model. However, the training will be next to worthless if the methodology does not take into consideration the needs and expectations of the group being trained. Each set of individuals involved as trainees in intercultural programs represents a unique group with special needs and expectations. These needs must be incorporated into the planning and preparation of the training in order for the training to be successful. The content and the methods used to deliver it must be tailored to each new group. This makes training methodology very important since it is the key to an effective program. It is not enough to hold intercultural training programs -- the way the material and exercises are presented and the way the trainer interacts with the group are just as important as the content of the program.3

Some participants attend training programs and upon completion think that they can go to their foreign work assignment with no worries about adaptation. This expectation is both false and dangerous. Since it is obviously impossible for the trainer to predict every event that will arise once the participant is overseas, it is also impossible to prepare the participant "completely" for every contingency. This expectation is dangerous because participants who feel that "now we know everything about our future host country and how to act while there" set themselves up for disappointment and distress. This rationalization allows participants to "forget" what they have learned in training and establishes a false confidence. Therefore, it is important for the training to be well suited to the participant's needs and expectations. This involves careful selection of the methods used to deliver the content.

There are over a hundred training methodologies which are available for use in intercultural training workshops.4 Some of the more commonly used methods include: role plays; simulations; culture assimilators; self-awareness inventories; workbook approaches; critical incidents; case studies; and group exercises. The selection of any combination of exercises must be determined by the needs and make-up of the group. For instance, it is very important to consider the amount of foreign travel experience and the participant's familiarity with the host country before designing the training program. Additionally, if everyone in the group is going to the same country then exercises which reinforce country-specific information can be used. If the participants in the training program are headed for several different countries, then general a approach would be more appropriate.

AMERICAN NORMS AND VALUES

In addition to learning about the host country and the process of adaptation, it is necessary for the participants to understand their own "cultural baggage." Each individual carries with him a set of expectations and behaviors based on his own socialization. These act as a "filter" through which everything is experienced. Consequently, it is useful for the participants to become aware of their expectations and problems that can arise when those expectations are not met. For instance, Americans place high value on punctuality, a value not necessarily shared by other cultures. The gap between this expectation (that others will be "on time" for appointments, etc.) and the reality experienced in another cultural context may cause frustration and stress. It may even develop into the formation of negative stereotypes of the host people. Although there is no way to change another person, much less a whole culture, the participants can learn to anticipate behaviors derived from values which are different from their own by becoming aware of their own values. They can learn to pause and evaluate before generalizing; to avoid saying and doing things which create distance between people, and instead move toward increased intercultural understanding. This is especially important in situations where business negotiations are based on personal rapport rather than simply a formal exchange of goods and services.

INTERCULTURAL TRAINING EVALUATIONS

Intercultural training program evaluation is difficult because success criteria are hard to determine and measure. The goals of the business may differ from the goals of the individual. Is survival the goal of an overseas experience or how well one survives? Judging the quality of the experience is often extremely subjective, since relocation is a highly emotional issue. Evaluators are constantly working to create objective criteria to reveal the extent and nature of successful adaptation and to explain failure.5

In general, workshop evaluations include assessment of the training content, methodology, and trainer's competence and style. Even though a workshop was developed for one unique set of individuals the lessons learned from the success or failure of that workshop can usually be generalized to other intercultural training efforts and should be considered when planning training for future groups.

Normally, three types of evaluations are used: the pre-workshop; the post-workshop, and the follow-up evaluation. The pre-workshop evaluation involves assessing the participant's training needs, prior experience and familiarity with the content. The post-workshop evaluation is usually done at the end of the workshop to evaluate the immediate response of the participants to the workshop content and delivery. This is used to help trainers design more effective workshops and to allow the participants to review and assess what they have just learned. True assessment of the training can not realistically take place until the participant is experiencing cross-cultural interaction. Weeks and often months may pass before the adequacy of the pre-departure orientation can be assessed. Many training programs have evaluations at the end of the training which include a follow-up evaluation sent to participants after their arrival overseas. Sometimes evaluations are conducted later, upon their return home.

Different forms of evaluations are used depending on the group, the amount of time (and other resources), and the purpose of the evaluation. Some of the more commonly used forms are: verbal debriefings, written essays, daily and weekly reports, and journals or diaries. Usually a combination of quantified and unquantified questions are used to evaluate the workshop experience.

RESOURCES

Professional and academic development opportunities for intercultural trainers can be obtained through completion of various programs offered at several major universities and professional institutes within the United States.[6] At this point there is no certification process available for trainers in the field and, therefore, no standardized set of training criteria. The training programs provide a set of learning experiences to the potential intercultural trainers but completion of a professional program does not alone reflect competency in the field.

The Society for Intercultural Education, Training and Research (SIETAR International) in Washington, D.C. is a valuable source of information.[7] SIETAR provides references on intercultural programs in the United States and abroad. SIETAR International is a professional membership organization of individuals and institutions concerned with the theory and practice of intercultural communication and cross-cultural relations. It provides many different types of resources: a directory of qualified intercultural trainers available to train in various substantive fields; a publication entitled the International Journal of Intercultural Relations; a library and bibliographies of intercultural training references; and a staff which plans and manages conferences, symposia, and workshops for professionals in the intercultural communication field.

The Washington Association of Professional Anthropologists (WAPA) offers one-day workshops on "Opportunities in Intercultural Training" at the annual meetings of the American Anthropological Association and the Society for Applied Anthropology.[8] Intercultural Press, Inc. publishes books on cross-cultural training subjects. Most of the publications have excellent bibliographies on the subject which can be used to identify resources for further reading.[9]

THE GROWING SOPHISTICATION OF INTERCULTURAL TRAINING AND ANTHROPOLOGY

We have reviewed the beginnings of the field of intercultural training. Today, the variety of trainers who are active in presenting such programs to the business community is myriad. It includes those who approach the training venture with a very simple theoretical model and those who are incorporating a great deal of accumulated wisdom into their approaches.[10]

Unfortunately, non-anthropologists who use anthropological information in their presentations do not always seem to be aware of the growing body of information and understanding of cross-cultural nuances that have developed through practical experiences in the field. These experiences are no longer dependent on the academic field study model, but have evolved as anthropologists have developed a wider range of cross-cultural activities. Many anthropologists have been engaged in specific kinds of problem solving in which the need to interact in positive ways marked the success or failure of development projects of great human import.

It is time for businessmen to acknowledge that anthropology is a sophisticated area of study and experience with practical and valuable applications. Anthropologists are ready to lead the way in introducing their cumulative knowledge into cross-cultural business enterprise through their thoughtful participation in the best of intercultural training.

Anthropologists should stand in the forefront of the intercultural experience as part of the cutting edge of the business community. They should be prepared to make that kind of contribution and should proceed on several fronts simultaneously:

1. Anthropologists should be sure that training programs at the universities prepare students for this kind of important and practical skill. If

the expertise does not exist within the department of anthropology, they should avail themselves of the same expertise that is in the resource list given above.

2. Anthropologist should market themselves effectively to the business community so that they have the opportunity to be active participants in commerce.

3. Anthropologists not primarily involved in business should become aware of the possibility of enriching their repertoire of intercultural skills by enrolling in intercultural training programs given by expert trainers.

The world is becoming a community. Issues of commerce and development in one country affect the opportunity structures in another. As anthropologists we want to make a difference in our world. Intercultural training provides us with that opportunity.11

NOTES

1. R. Benedict's work, The Chrysanthemum and The Sword, is an example of the national character studies done in the 1940s. See also Benedict's Patterns of Culture, Mentor Books, New York, 1960.

2. For an introduction to adult learning theory see J. D. Ingalls, A Trainer's Guide to Andragogy, Data Education, Inc., Waltham, MA, 1973.

3. Training is different from teaching. Adult Learning in Your Classroom, the Best of Training Magazine's Strategies and Techniques for Managers and Trainers,

Lakewood Publications, Minneapolis, MN, 1982, is a good resource for training methods.

4. See D.S. Hoopes & P. Ventura (eds.), Intercultural Sourcebook, Cross-Cultural Training Methodologies, Intercultural Press, Inc., Chicago, 1979.

5. For an example of training evaluation and effectiveness see R. W. Brislin, N. G. Dinges, and G. Fontaine, The Impact of Cross-Cultural Training on Overseas Adjustment and Performance: An Integra~~ted Re~~view, The Institute of Behavioral Sciences, Honolulu, Hawaii, 1981.

6. Contact SIETAR at the address below for a list of programs in the United States and abroad.

7. SIETAR International, 1414 Twenty-second Street, N.W., Suite 102, Washington, D.C. 20037, (202) 296-4710.

8. Information on WAPA workshops can be obtained by writing: WAPA, P.O. Box 23262, L'Enfant Plaza Station, Washington, D.C. 20024. Additionally, many trainers working in the management and organizational development field now incorporate intercultural training into their repertoire. In may be useful to contact The American Society for Training and Development in Madison, WI and the Organizational Development Network in Washington, D.C.

9. Intercultural Press, Inc., 130 North Road, Vershire, VT 05079, is probably the best source of mail order books on cross-cultural training subjects.

10. Notable examples of well developed training programs include: the Peace Corps; Youth for Understanding; the State Department's Overseas Briefing Center; and the Experiment in International Living.

11. I would like to thank Sandra Mumford Fowler, Alexander Patico, Erve Chambers and Gretchen Schafft for their assistance and inspiration.

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CROSS-CULTURAL INTERACTION: SOME GENERAL CONSIDERATIONS FOR INNOCENTS ABROAD

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The following remarks are not intended for experienced field anthropologists; they have already, without question, gone through the mill. These guidelines were originally devised to help prepare my students for successful work in foreign cultures, and in this article I am directing them at businessmen who will be sent abroad, many of them without any preparation whatsoever and with their benighted families in tow.

We anthropologists know that coming to an understanding of a foreign culture and achieving successful interaction within it as a "marginal native" is a psychologically arduous albeit exciting process-even with all our graduate school preparation. WHile it is true that the remote and technologically simple communities that anthropologists have historically tended to prefer are far more difficult to adapt to than are the cities of the world that businessmen frequent, anthropologists nevertheless have a negligible failure rate while businessmen, it would seem from current statistics, have a serious problem.

As a college professor I have been taking students with me into foreign cultures, or sending them out alone, since 1964. In 1966 and 1969 I set up and directed Beloit College's Overseas Seminar in Taiwan, an academic and experimental program that housed American college students with Chinese families in Taipei for fifteen weeks and provided instruction in Chinese anthropology, language, history, literature, and art history. The success of the program was based on twice-weekly counseling sessions with me, in which my students raised any problems they were having in adjusting to Chinese family life and culture, and on weekly visits that I made to their Chinese "parents" to see how things were going. While graduate students from other schools (fluent in Chinese but not studying anthropology) were housed in dormitories and spent much of their leisure time complaining about things Chinese, my students were enthusiastically exploring Chinese culture with their Chinese "brothers" and "sisters".

The alienated American graduate students in Taipei were not an isolated example. Raymond L. Gorden, in his book on American college students living with Colombian families in Bogota, details the inability of the Americans, many of whom spoke Spanish, to understand and comply with the simple rules of their Bogotano homes, with the predictable result that resentments and prejudices developed between the Americans and Colombians.[1]

Residence in a country or region with a culture significantly different from our own can be an intensely rewarding experience, or it can result in varying degrees of misery for ourself and/or others in contact with us. Failure to bridge the cultural barriers, if we are on our own, can result in a form of psychological regression or breakdown that anthropologists call Culture Shock. If we are with a group of fellow Americans that serves to insulate each one from his culture errors, the damage will accrue primarily to those foreign persons unfortunate enough to have interacted with us, and will add to the image held in many foreign countries today of the Ugly American.

The bottom line of successful cross-cultural interaction is to master the appropriate behavior for each situation in which we will find ourselves. Mastering situation-specific behavior will require that we know something of the general cultural background and world view of our host country as well as have a clear understanding of the social roles that we will be expected to play there. Our social roles will have certain culturally standardized parts, such as greeting and leavetaking, eating, drinking, and giftgiving, within and around which the concerns that are of importance to us and our counterparts may be acted out. We must know what is appropriate behavior for ourselves as men or women of our age and position, and we must know what is appropriate behavior for others--women, men, children, elderly people, etc. We must know the distinctions of class and status that divide people, and the observances of various customs that punctuate the day.

Much has been written about how important knowing the language is to successful cross-cultural interaciton, but relatively few people understand that mastering the appropriate behavior takes precedence over mastering the language. The two skills overlap, but they are not the same. Mastery of the language is often presumed to indicate a prior knowledge of the forms of social interaciton as well, despite the unlikelihood of more than a few simple interactional patterns being taught in a typical language class. Nevertheless, if a foreign guest is fluent in the native language, he or she will be held to a higher standard of correct behavior as well.

For example, the American custom of "Dutch treat", which has us carefully dividing up our bar and restaurant bills with our companions, is seen in many countries as one of our several antisocial rigidities. So much the worse for our social and business relations in Latin America if we do this and can speak a little Spanish. Similarly, so much the worse for the foreign businessman in an Arab country who passes a dish of food or shakes hands with his left hand, if he has already learned a little Arabic. Be warned that many American manual gestures are obscene or blasphemous in one country or another.

Most of the culturally specific appropriate behavior that we must learn in a foreign country is not so clearly discernible as in the above examples. It is usually not verbalized and may not be in the conscious minds of our host nationals--until we violate the patterns. It can not all be learned before we arrive in the foreign country; yet it must be learned as soon as possible after we have become foreign guests.

How can one learn the appropriate behavior, stepping off a plane into a culture which one has never visited before? The starting point is to assume complete responsibility for your actions--the things you do and do not do, and the things you say and do not say. Unexpected and distressing outcomes of interpersonal encounters are at the bottom of ethnocentric and racist fears and hatreds. The experience of field ethnologists has been, however, that there are reasonable explanations behind most of these unexpected and distressing encounters. Your responsibility includes resolving these cross-cultural misunderstandings. Do not allow yourself to use cultural ignorance as an excuse.

A basic rule is to be cautious, especially when you first arrive in a foreign culture. Imagine, if you will, that you have been blindfolded, then told to leave the building you are in as quickly as possible: would you sprint to the exit with a blindfold on? Or would you proceed slowly, reaching out and feeling your way with hands and feet, perceiving obstacles, places without footing, and other dangers? Unless you are familiar with the tacit rules for interaction and general behavior of the culture you are operating in--rules that all cultures have--you are Culture Blind.

Another basic rule is to be flexible. Try to control your ego needs and your value system. Remember that in a foreign country you are a guest and have no right to impose your values on anyone, even if you do have this right to a limited degree in your own country. Every society has its own rules, some of them official but most of them tacit and unspoken. As a guest in another culture, these rules will usually be applied less strictly to you. But you have no right, willfully or innocently, to violate those rules, and no right to change them.

Fundamentally, you are trying to get to know people. This is done by expressing an interest in them, in some aspect of their lives. It must be done in a friendly and polite way, and without exploitation.

Try to be sensitive to the people and the situation. Do not talk at people, talk to them. If you leave a conversation without having achieved a sense of mutual understanding, consider it to be your fault. By carefully discussing the matter with others, you should be able to find out what went wrong. Do not photograph people as if they were objects: because they have "typical" features, or because their clothes, their house, or their activity is "picturesque." Photographs illustrating the culture and the people are desirable, but should be taken only after rapport is achieved via conversation, and only after requesting and receiving permission to use your camera.

Reciprocate the kindnesses various persons are likely to extend to you, whether you do this in a material or symbolic way. Be aware that the forms of reciprocation are culture-specific, and that symbolic gestures may be equal to or greater than material gifts in certain situations.

You will be especially fortunate if you can find a buddy among your host country counterparts: someone of the same sex, roughly the same age, with no linguistic barriers between you and no significant material benefits that one hopes to derive from the other, and with whom you have several common interests. You might consider meeting a number of host country nationals before developing this relationship; sometimes the first person to befriend a newly arrived stranger is someone who is marginal to his own culture. Beyond the intrinsic value of what often becomes a deep friendship, your loneliness and isolation will be eased, and you will have someone trustworthy who will instruct you in the fine points of correct behavior in his or her culture, correcting your errors in a positive way and explaining the different world view that lies behind the most innocuous exchanges.

Finally, try to stay in touch with the good friends you will have made in foreign countries. Greeting cards, letters, and photographs are a source of great pleasure. The long-term relationships that you are able to sustain with friends from foreign cultures will enrich your life as all friends do, develop you in cosmopolitan ways, and keep alive your desire to go back again some day.

NOTES

1. Raymond L. Gorden, 1974 and 1978, LIVING IN LATIN AMERICA: A CASE STUDY IN CROSS-CULTURAL COMMUNICAITON. Skokie: National Textbook Company.

CHINESE BUSINESS AND MANAGEMENT BEHAVIOR AND THE HSU ATTRIBUTES: A PRELIMINARY INQUIRY[1]

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THE HSU ATTRIBUTES

Over the past thirty-five years, Francis L. K. Hsu has analyzed several major civilizations with literate traditions. Synthesizing the differing fundaments of world view, values, and social interaction, he relates these to the key social organization and key dyadic relation of each civilization and condenses the insights into four vivid psychocultural attributes (Hsu 1948 and 1967; 1953, 1970, and 1981; 1963; 1975). In his analysis of Chinese culture, Hsu finds that the father-son dyad, which is the most important social relationship, infuses other relationships, organizations and aspects of Chinese culture with the inherent father-son attributes of continuity, inclusiveness, authority, and asexuality. In contrast, American culture, dominated by the husband-wife dyad, is seen by Hsu to be infused with the inherent husband-wife attributes of discontinuity, exclusiveness, volition, and sexuality (Hsu 1965; 1971; Hsu-Balzer, Balzer, and Hsu 1974).

Hsu defines continuity as "the condition of being, or the attitude of desiring to be, in an unbroken sequence or connection with others," and it is indicated by relative durability of relationships. Inclusiveness is "the act of incorporating, or the attitude of wishing to be incorporated into a group," and is indicated by a widening circle of relationships derived from a continuous original relationship. Authority is defined as "personal power that commands and enforces obedience, or the belief on the part of subordinates of the legitimacy or the necessity of obeying commands and of a superior's right to issue them." Asexuality is simply "the condition of having no connection with sex" (Hsu 1965:643-644), or "the relegation of sex to a particular area of society, like marriage and prostitution, and its non-diffusion to other areas of society." (Hsu 1980: personal communication).

Hsu's idea that the dominant father-son dyad and its four attributes pervade subordinate dyads as well as social groups beyond the family is supported by case studies of Chinese communities, not only on the pre-communist mainland, Hong Kong, and Taiwan, but also among contemporary overseas Chinese communities (Serrie 1976; 1985; Serrie and Hsu 1985a; 1985b). This paper attempts to extend Hsu's formulations to business and management behavior within large Chinese organizations.

ASEXUALITY

There is very little published material that can be interpreted in terms of the Hsu attribute of asexuality, although in my experiences with a group of Americans in the PRC in 1976 the contrast between Chinese asexuality and American sexuality proved to be an almost daily and virtually unstopable source of cross-cultural shock for the Chinese.

At a health care station we visited, the paramedics were stunned by questions concerning premarital pregnancies. "We do not have any of that here," one retorted with an expression of repugnance.

One of our Chinese interpreters was a man in his later twenties. When several of the younger women in our group found out he was unmarried, had never had a date, and did not have a girl friend, they delighted in asking him further intimate questions and watching his face turn red and his mood become embarrassed and uncomfortable. Despite my friendly advice, they persisted in discussing sex with him every day for about a week, and were unaware of the disgusting image of themselves they had created in the minds of our Chinese hosts.

For Americans, sexual joking as well as sex as a topic of serious conversation are part of our normal daily life; for the Chinese this is not so. Needless to say, American businessmen in China will find that cross-cultural interactions proceed so much better if they do not talk about sex, let alone try to seek it out among the Chinese. In his book on Big Business Blunders, David A. Ricks reports that one businessman in China who dared to pat a waitress "found himself home sooner than expected" (1983:7).

In 1983 the Associated Press released a news item concerning the filming in China of a segment of Love Boat, an ABC television network series. With intimate kissing banned from Chinese television and cinema, the sight of John Forsythe passionately kissing Ursula Andress on the Great Wall created a stir among Chinese bystanders loud enough to bring the police running over to check the situation. ABC had taken pains, however, to clear the scene with PRC officials "to make sure it wasn't too sexy or contained unflattering references to the country", and they paid "a considerable sum" to the government for what correspondent Liu Heung Shing dubbed "the first cinematic smooch on the Great Wall of China" (Liu:1983).

Dorothy Stern, a Chicago college instructor who recently returned from a year of teaching in the PRC, provides fresh examples of the Hsu attribute of asexuality in Chinese culture. During one of her first conversations with the Chairman of her department,she wanted to confirm with him that she had been told not to talk about religion, politics, or sex. "O.K. to talk religion and politics," he responded. "But don't talk about sex!" Needless to say, sex was not a discussion topic in college classes or extracurricular discussions (Stern 1984: personal communication).

Five years before at this college, an American instructor was repeatedly refused permission by the Chinese authorities to marry a Chinese young woman. Finally he told the officials that they had already slept together. Since in the officials' eyes the girl was ruined, there was nothing left to do except grant immediate authorization for marriage.

Men and women in China are permitted very little physical contact, unless it can be understood as playful and without erotic intent. At the same time, physical contact between persons of the same sex, which is seen as merely expressing normal friendship, is engaged in freely; holding hands, arm in arm, arms around each other. Even the bathroom is no barrier to friends of the same sex, who feel free to barge in on each other. At this Chinese college such familiarity was naturally extended to the American instructors by their interpreters and friends (Stern 1984: personal communication).

Western dancing is regarded by the Chinese as sexy and dangerous. Yet, under the current moderate regime it is the order of the day. Consequently, western dances were organized for the college students, and everyone participated while feeling the need for caution against some possible future political reaction against it.

The college instructor from Chicago was complimented on her swimming. "I guess it's not too bad for an old lady of 51 years", she said. With complete innocence one of the male students replied, "But you have the body of a young boy," by way of complimenting her (Stern 1984: personal communication).

Kinship terms are often employed by Chinese people to express affection and/or respect. Some of the young children of her Chinese associates addressed the American instructor as "Granny". One of the younger faculty members expressed his affection by saying that he would like to call her "Auntie". While teacher-student relations are ordinarily distant, teachers do have pet students with whom they develop special bonds. One male student, who had lost his mother the year before, developed a love for the American instructor as a mother figure, and Chinese culture permitted him to freely express this. Much later, the American instructor happened to hear that the college officials had regarded this relationship as "mother-son", and her behavior in reciprocating the affection of her student was judged to be "seemly and appropriate" (Stern 1984: personal communication).

The manifestations of asexuality in Chinese business management must be very positive, from an American point of view. There is no joking about sex, no sexual overtones in male-female working relationships, and no sexual harassment on the job. Even the Chinese language assists in this; in Mandarin the personal pronouns express no gender.

CONTINUITY AND INCLUSIVENESS

The Hsu attributes of continuity and inclusiveness, still strongly linked with kinship, were obvious at the aforementioned Chinese college, where it is understood that being separated from one's parents is an emotional hardship. Special leave time and travel funds are allowed to facilitate students visiting their families. If the student lives very far away, he still returns twice a year, during Spring Festival and Summer Vacation.

For those young professional people who have completed their formal education, it is very important to be assigned to their home town so they can be near their parents. At this college, there was a group of twenty students about to be assigned positions. It was known in advance that five of the twenty would not be assigned to their home town; because of this there was great concern and all of the students said they had "some anxiety" (Stern 1984: personal communication).

One day back in 1904, a nine year old girl named Nora Waln was exploring among the trunks in the attic of her grandparents home. She became fascinated with a collection of mercantile papers and correspondence dated in the late 1700's that linked one of her Quaker forebears to a prominent Chinese family named Lin. During the height of the Ch'ing Dynasty's power, within an imperial climate resistant if not hostile to contact with the foreigners, Lin Yan-ken was appointed to carry on a strictly limited international trade with this most fortunate Philadelphia merchant. Included in the shipment out of Canton were amber, cinnabar, rosewood chairs, ginger, indigo, jute, musk, nankeens, orpiment, green and black teas, embroidered fans, umbrellas, melon and apricot seeds, and xanthein (Waln 1933:3, 9-10).

Although there had been no contact for a century between the Chinese family in Canton and the Philadelphia firm of J.S. Waln, in 1915 a Mr. and Mrs. Lin Yang-peng, on a tour of the West and planning to spend a week in Philadelphia, telephoned Miss Waln at Swarthmore College where she was an undergraduate. They expressed a desire to meet someone from the Waln family and had found her name by going through all the catalogues published by Quaker schools and pursuing the lists of students. Meeting the Lins at the Broad Street train station, Nora Waln's description of the Chinese woman, Shun-ko, is memorable:

> ". . .when Shun-ko's dark eyes met mine, I was at peace. From that instant there have been no barriers between us. Strong, wise, and true, despite our difference in race she took me into her heart. She had never had a daughter. I had lost my mother four years previously."

A week later, saying goodbye, Shun-ko says to Nora, "You must come to me" (Waln 1933:11-12).

In 1920 Nora Waln did just that, beginning for herself a lifelong relationship with China in general and the Lin family in particular. For the Lin family, whose high position dated from the 1300's, this episode was more a resumption of a relationship that had never been broken than it was the establishment of a new one. Stored in an ivory box in a green lacquered cabinet in the Liu home was a letter dated June 10, 1804 from J. S. Waln to Lin Yan-ken, indicating his pleasure in the quality of the merchandise and the complete reliability over the years of his Chinese business associate, and expressing his hope that at some time in the future, "when suspicion between peoples must certainly disappear", there might be an exchange of visits between the two families. Far beyond the mere preservation of memorabilia, the Lin family had taken pains to show it to members of each succeeding generation, and thus kept the relationship alive through almost a hundred years of silence (Waln 1933:4-5, 8).

In Taipei in 1966 I visited the toy department of a large store with many floors to buy a toy for my young son, and I was waited upon by a clerk who was helpful and polite. Several weeks later, I returned to the same counter, and a different clerk began to wait on me. However, when the clerk who had helped me the first time spied me, she immediately came over, whispered to the second clerk, and proceeded to wait on me. The second clerk, understanding the whispered message, immediately smiled, excused herself, and waited upon someone else. Thereafter whenever I was in the toy department (and as a doting father this was not infrequent) it was understood by all concerned that I "belonged" to the first clerk. When our six-month stay in Taipei was nearly over, I mentioned our imminent return to the U.S. to "my" clerk on a last trip to the toy department. To my surprise she expressed a regret that was stronger and more sincere than anything to which I was accustomed in relating to American clerks.

In Chinese business management, relations between trusted associates take on more and more of the characteristics of kinship relations as time passes. The use of kinship terms of address is an early signal of this process. Over the course of time, the original instrumental relationship will acquire more functions, some of them very diverse and unlikely, as the business associates become more like kinsmen. Kin relations, of course, have great continuity and inclusiveness for the Chinese. And an American firm in China with a patient eye on the long run might well expect to be rewarded with more contracts and proliferating activities.

Stanley B. Lubman, a corporation lawyer with ten years experience with commercial negotiations in the PRC, makes the following observations which indicate something of the Chinese expectations of continuity in business dealings today. He states that the Chinese have a standard clause in import contracts which, in essence, attempts to guarantee that if results are not satisfactory, the two business parties will have a continuing obligation to make things right. Rather than focusing on penalties or price reductions, the Chinese stress the end result. Western businessmen, on the other hand, are made uneasy with the absence of specifically defined rights and responsibilities of each of the involved parties, and by the fact that the right of recission (or abrogation of contract) is not entertained as a possibility by the Chinese (Lubman 1983:60-61).

AUTHORITY

Chinese authority is one Hsu attribute of which some Americans may have some vague knowledge. Years ago, they may have learned something of the contrast between Chinese authority and American volition from watching Charlie Chan, the great film detective, relate to his son. The son is ever respectful and obedient to his father, and the father refrains from praising the son while taking care to squash the son's occasional attempts at getting uppity and striking out on his own. Other films about China or Chinese people have repeated the themes of distance, respect, command, and obedience.

In a major study of a large-scale Chinese corporation in Taiwan, Robert H. Sillin observes that the CEO maintains a psychological distance and aloofness from his subordinate executives, and they in turn must show respect for him by displaying fear or awe in his presence. Subordinates must express compete trust in their boss and his powers of judgment, no matter if he is inconsistent or arbitrary in his decisions.

The authority of the boss is not easily shared or delegated, and the boss takes care to deny the contributions of his subordinates and makes sure that such contributions are not highly visible. Because everyone understands that outstanding productivity or aggressiveness in a subordinate is threatening to the boss, subordinates are expected to work at a lower capacity than that of the boss. The boss facilitates this lower motivation among his subordinates by actively controlling them and supervising them rather than merely coordinating their activities. Bosses do not train their subordinates to perform their duties, nor do they share responsibility with them. The boss does not confer with his subordinates about different possible decisions, and alternative suggestions or disagreements on the part of subordinates are viewed negatively. There is a marked tendency to pass blame for mistakes downward.

Subordinate executives consider leaving the company, but Chinese paternalism makes this decision analogous to leaving the Chinese ideal of the big family. For those very few executives who do depart and establish their own companies, relations with their former boss are not broken and an ongoing symbiotic relationship between the two companies is formed in yet another commercial express of Chinese continuity and inclusiveness.

Most subordinate executives remain with their boss, and vie with each other for increased interaction with him, which will in turn give them increased power as an information broker among other subordinate executives. The boss shows favor among his subordinates by utilizing them, and he does this according to his perceptions of how personally loyal and reliable they are to him. Procedural ambiguity is prevalent, and a boss will assign the same executive to several positions in the firm at the same time, in order to check and balance the powers of other subordinates (Sillin 1976:61-94).

It seems clear enough that the Chinese boss-subordinate relationship partakes of elements of the Chinese father-son relationship, and that the Hsu attributes of continuity, inclusiveness, authority, and asexuality pervade it. A final note from Sillin is that promotions within the Chinese firm that increase the distance from the boss and thereby decrease the interaction with him are seen as de facto demotions, despite the higher position and increase in pay (Sillin 1976:67).

The Chinese attribute of authority creates difficulties for American businessmen, both in Taiwan and on the mainland, because of the deprivation of decision-making power among subordinate executives. Lubman reports that, in the PRC, the commercial bargaining position taken by a Chinese negotiator will have been decided by persons higher up in the bureaucratic hierarchy. This position has to be approved by his superiors in his own organization, and possibly cleared with other organizations. Consequently, the Chinese negotiator has little authority to vary from that position except through additional conferencing. On the other hand, his American counterpart is granted flexibility and the power to make decisions. Whereas the Chinese negotiator can only restate his original bargaining position, the American businessman or lawyer is free to vary or change his position in the middle of any argumentation (Lubman 1983:66-68).

In summary, this article has attempted to extend the four psychocultural attributes that Hsu derives from his analysis of traditional Chinese culture to the area of business and management behavior. The Chinese attributes of continuity, inclusiveness, authority, and asexuality would seem to pervade business and management interactions in Taiwan and the Peoples Republic of China. They contrast with the interactive predispositions of American businessmen, who are influenced by the American attributes of discontinuity, exclusiveness, volition and sexuality. The Hsu attributes, therefore, would seem to be useful as guides to crosscultural understanding and international business transactions for business and management personnel of both cultures. Further clarification of the validity and utility of the Hsu attributes will be sought in projected field research on Chinese and American business and management behavior in the Peoples Republic of China later in this year, and will be reported in a future article.

NOTE

1. Based on a paper presented at the 83rd Annual Meeting of the American Anthropological Association, November 15-18, 1984, Denver.

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A CROSS-CULTURAL ANALYSIS OF DRINKING BEHAVIOR WITHIN THE CONTEXT OF INTERNATIONAL BUSINESS

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Anthropology has a long history of participating in, analyzing, and comparing the almost two thousand separate cultures which make up our world. Such specific information can be useful to business people living or working in other cultures, and the analytical methods developed by anthropologists can be invaluable in helping business to function effectively in a foreign environment.

Given the fact that many corporations today have either an international dimension or employ workers from a variety of ethnic subcultures, the problems encountered in international business are not always confined to technology or finance. Profits, losses, and technology are ultimately dependent on social encounters between individuals. Someone must negotiate the contracts and agreements, arrange for shipments and payments.

Such encounters do not occur in a social vacuum. They are part of a broader web of social attitudes and rules. The participants, if they belong to the same culture, share an unspoken understanding of the way the world is. They are functioning within a frame of reference where the rules are understood and where they can anticipate and predict what the other person will say or do. When the participants in an encounter do not share the same understanding of the world around them, are not playing by the same rules, and do not even know what each others' rules are, the stage is set for a series of misunderstandings which can upset contract negotiations.

One such problem, which emerges as a recurrent pattern, is that of alcohol consumption and associated behavior in the cross-cultural context of international business. The research undertaken for this paper indicates that drinking behavior among business associates from different cultures holds the potential for serious misunderstandings which can at the very least impede the smooth progress of business transactions.

MacAndrew and Edgerton (1969:165) suggest that what is fundamentally at issue in alcohol related behavior are the learned relations that exist among people living together in a society. They contend that the way in which people behave, while drinking alcohol, is determined not by alcohol's toxic assault upon the body, but rather by the social expectations of what such behavior should be. While there are many references to alcohol induced behavior in the anthropological literature, and an outstanding cross-cultural study reviewing this literature (Ibid.), there is a need for further study of drinking and associated behavior in the cross-cultural context of international business.

The research carried out for this study consisted primarily of interviews with middle and upper level

American executives in eleven corporations. Several anthropologists and sociologists who had lived or worked in particular cultures were also interviewed.[1] Because of the nature of the area being researched, it was not possible to employ the traditional anthropological approach of participant observation. The research technique utilized has some drawbacks with anthropologically untrained informants being asked to recall experiences that may have occurred some time ago, selective perception, etc. However, this seemed to be the only viable option since access to the drinking situations themselves was closed to the anthropologists. Patterns began to emerge in the interviews and recurred with enough frequency to suggest that despite the above mentioned flaws, valid material was being uncovered.

It became clear that except in the Moslem countries, drinking with one's foreign partners, clients or hosts is an integral part of the business environment. It also became apparent that the comments of informants were revolving around two areas, which will be the focus of this paper: the rules governing the etiquette to which drinkers must conform, and the rules governing behavior when a drinker becomes intoxicated.

These rules, and the behavioral expression of them, can and often do vary drastically from culture to culture. This is not surprising considering that the kinds of activities engaged in while drinking are hedged in by the norms of the particular social system in which they are embedded (Kupferer 1979:165). This means that the outsider is, not uncommonly, expected, as part of what is supposed to be a congenial social event, to engage in behavior which he/she perceives as confusing or bizarre.

An evening's entertainment may turn into a bewildering struggle to maintain self control and a sense of self dignity. As one American informant with experience in Japan put it, "You have to control yourself. The whole evening's experience is a chore."

Various actions associated with drinking in other cultures may be perceived by some Americans as morally wrong. One informant commented, "The way you handle it depends on the extent of the American's international travel. What would happen if the American had no background experience, I don't know. My attitude is, that's the way they do it there. I back off. I'm not going to compromise my principles." He was referring here to the pressure from Japanese hosts to sleep with girls provided by them. He described himself as a happily married husband and father, rather Victorian, "not interested in that sort of stuff." Such situations present a delicate cross-cultural problem: how to avoid engaging in such behavior without offending foreign business associates.

A recurring comment by informants in this study is that it might be hard for Americans inexperienced in foreign business situations to handle themselves well in a drinking situation. MacAndrew and Edgerton suggest that it may be especially difficult for the American to come to a clear understanding of the rules surrounding drinking in another culture because American society lacks a unanimity of understanding and uniformity of practice regarding the consumption of alcohol (1969:172). In American society the behavior of people who are drinking varies considerably and is unpredictable, as are the consequences of that behavior, i.e., what sorts of deviance from the rules of normal behavior other people will excuse or tolerate.

In dealing with the problems of rules of etiquette, it is important to note that drinking in some cultures assumes a ritualistic aspect. One's behavior or correct participation in this ritual can affect the outcome of one's business negotiations. It may be an important factor in a potential client's evaluation of whether or not a particular American is a suitable person with whom to transact business.

Such ritualistic behavior may be uncommon in adult middle class American society, and it may therefore be difficult for Americans to recognize it as obligatory. However, one American informant stated that in his corporation at the annual meeting of regional sales managers, drinks called spiders (a combination of gin and brandy) are routinely served. Each manager is expected to down drink after drink. The object is to become drunk. This was viewed by my informant as having a therapeutic effect, since regional managers were under so much tension that they needed an annual opportunity to "let their hair down." Judging from the rest of the data gathered for this study, this kind of ritualism is either relatively rare in American business or is a subject informants are reluctant to talk about.

An important aspect of drinking rituals in many foreign cultures is that the group rather than the individual controls the rate of alcohol consumption and the amount consumed. Although this pattern is found among American college students, it stands in contrast to middle-class American behavior in general and American businessmen in particular. The adjective "childish" was used frequently by American businessmen informants in describing drinking rituals in other societies.

In most business situations in American society, the individual is in control. When drinks are offered, one is free to accept, decline, have one or more, or perhaps take a token drink and nurse it all evening. An individual may become intoxicated, but this is almost always perceived as an individual choice.

In contrast to this, let us look at the situation in Hungarian society where drinking appears to be highly ritualistic and where the rate of consumption and the amount consumed are controlled by the group and not by the individual. According to a Hungarian informant:

> You have to take for granted that Hungarians in general are much more experienced at drinking. What would make an American businessman soppy would not even begin to make a Hungarian that way. We drink palinka, a plum or cherry brandy. It's 200 proof. When we start, the Americans are already drunk. The Hungarians aren't. We're seasoned. In Hungary, the Hungarians use this. They try to influence Americans with good drink to sign a favorable contract. It's an instrument to oil the wheels.
>
> Merry making is an art in Hungary--food, drinks, jokes, toasts, songs. As young people grow up, it's a social imperative to learn how to

> manage drink. Otherwise, they meet the social disapproval of their peers. There is peer pressure against not being able to handle drink. You have to know how much is too much and know how to drink gracefully all night and not give the impression of being drunk and not throw up or fall under the table. It's an art and a skill. It's an adult ability to handle alcohol.

According to this informant, a man's prowess with alcohol is constantly put to the test. Toasts are constantly made on a person and it is obligatory that everyone drink each time a toast is made. Whenever a person's glass is less than full, it is immediately refilled. To refuse to drink or to refuse a refill is an offense to one's hosts. The trick, evidently, is to take small sips so that when the glass is refilled, not too much is added, and one is able to last the evening.

The rules governing such behavior apparently vary with sex, and an American business woman would be treated differently. The informant commented that Hungarian men would not try to test her prowess with alcohol:

> They wouldn't try to make her drunk. That's not the case with men. A man should be able to take care of himself. Hungarian men under such circumstances dismiss the idea of business. A woman has to be cossetted and pampered. In Hungary, American business women are charmed. They are not used to it. It's almost like a courtship. They kiss her hand. In Hungary men are more protective and careful. They would be chivalrous toward a foreign lady. Also a business women.

The informant also added that Hungarian women are also taught from childhood the proper way to handle liquor.

It can be seen from the above example that drinking in Hungary has ritualistic characteristics which do not exist in American society. It involves a pattern of rituals and rules to which individuals are socialized from childhood. Although Hungarians are tolerant of

Americans who, through ignorance, fail to conform to this pattern, such failure has the potential to produce tension, or at least a certain amount of personal disappointment in business relationships. Hungarians who travel to the United States on business, for example, characterize American business parties as drab, stuffy and dull. The fact that "no American business men burst into song" at these parties seems to be a common complaint.

The impact on business transactions of failure to conform to drinking norms seems to vary with the degree to which an individual holds an advantage in these transactions. If it is the Hungarians who want the deal, they are likely to ignore and overlook transgressions. If it is the American who is trying to persuade the Hungarians to make the deal, then they are not so likely to ignore transgressions.

It should be noted here that in Hungary, as in the other cultures dealt with in this study, not all informants had the same experience, or perceived their experiences in the same manner. One American, who had spent considerable time in Hungary, suggested that Hungarians do not hold their liquor as well as the above account implies; that, in fact, it is an idealized account. He stated that Hungarians will often designate one person in the group as the driver. This individual will not participate in the drinking. The others will chip in for a bottle which the driver will take home with him. The implication of this is that, rather than being in full control of themselves the others will not even be able to drive home.

For the purposes of the visiting American business person, it is important to realize that this is the way a great many Hungarians perceive themselves and ritualize their business socializing whether they carry off their ideal of competitive drinking and remain sober, or instead find themselves getting carried away.

Turning to a different cultural context, we can see that here again the rules and rituals surrounding drinking can be treacherous for the American business person. According to William Mitchell of the Anthropology

Department at Monmouth College (personal communication), drinking among the middle-class in Lima, Peru, is a social phenomena with ritualistic aspects which make it difficult for North Americans to participate wholeheartedly.

The new middle-class of Lima consists overwhelmingly of migrants or children of migrants from the Sierra. Spanish is their primary language. They live in fancy houses and tend to be entrepreneurs. They are city people, business people, some of whom own factories and stores; these are the people an American hoping to do business in Lima would probably deal with. Though they are aware that outsiders may not act in the same way they do, nevertheless, they feel a strong resentment when a foreigner cannot fit into their patterns.

Initially at a gathering of friends, or at a party, everyone is given a separate glass. Toasts are begun, but after two or three drinks, the pattern begins to change to one common in the Sierra, i.e., the same glass is used for everyone. The same bottle and glass are passed to each person in turn. The individual says "Salud" ("Health") as form of toast, drinks, and passes the bottle and glass along to the next person.

For North Americans it is almost unthinkable to drink from the same glass as another person, violating as it does clearly held beliefs concerning germs and sanitation. Even within families this is not done. Such a practice is perceived as dangerous to the health of the people involved. Such behavior, as Mitchell points out, also violates the North American norm that it is for each individual to decide how much alcohol he will consume, and whether or not he will get drunk.

In Lima, it is not possible to refuse to participate without giving serious offense. If a person doesn't keep up, the Limenos feel that he is not warm or close or good. Because most North Americans with whom they have contact refuse to participate in this ritualistic drinking, North Americans are generally perceived as cold and unfeeling, not good people.

Margo Smith of the Anthropology Department at Northeastern Illinois University (personal communication) reports an acceptable way to opt out of obligatory drinking in Peru. She has encountered this ritualistic drinking in the Sierra, where she states it is possible to avoid engaging in it without giving offense. One places one's hand over one's midsection, mentions one's liver and is then not offered any alcoholic beverages. It is not possible, however, to consume just a little alcohol. One must either opt for total abstinence or participate fully; any other course risks giving grave offense to one's host.

Another informant, widely travelled in the Far East, recounts a similar strategy among Chinese in China, Taiwan and Malaysia. "The Chinese in general, when they bring you to a party, expect you to chug-a-lug. They have cum pei, it means chug-a-lug. They fill the whole glass and drink it down. I have a way to get out: I say I have an allergy to any kind of alcohol, it makes me sick and I won't be any good the next day!" In certain cultures, the choice seems to be either total abstinence or group control over one's drinking.

We can see here a similarity between the Hungarian, Peruvian and Chinese patterns, and a contrast with North American norms. In all three cultures, drinking has ritualistic aspects. The mere act of drinking with each other is not enough to symbolize good fellowship; toasts must be drunk, and glasses refilled constantly. To refuse is to risk giving grave offense. In these cultures the individual cannot completely control the rate of consumption, nor the amount consumed. In these cultures, rates and amount are dictated by the group in conformity to cultural norms governing the situation.

The other area with which this study is concerned is the rules governing behavior when a drinker becomes intoxicated. We find that drunken comportment, rules, and sanctions for specific behavior vary from society to society, and are a reflection of the norms, values and social organization of the specific social system within which it occurs. According to MacAndrew and Edgerton, in every society in which drinking occurs, people's behavior is often and in various ways recognizably different once they have ingested alcohol. The "ingestion of alcohol is sometimes followed by the most flagrant imaginable change in comportment, sometimes by only moderate changes, and sometimes by no significant changes whatsoever" (1969:83). These researchers find that in and of itself the presence of alcohol in the body does not necessarily cause these behavior changes. They maintain that drunken comportment is socially organized and is an essentially learned behavior (1968:88).

In most societies the state of drunkenness is a state of socially sanctioned freedom from the demands that people comply with the conventional proprieties (Ibid 1969:89). For a while some of the rules are set aside, and the intoxicated person finds himself at least partially free from having to account for his actions. Drunkenness takes on the flavor of "time out" from many of the imperative demands of everyday life.

It is important to note that while intoxication serves as an acceptable excuse for breaking rules, and some deviant behavior is tolerated or even expected,not all rules are suspended. The individual is still functioning within certain socially defined limits, and conforming to socially shared expectations of the way in which intoxicated individuals will behave. The type of deviant behavior which is tolerated and in which an individual can or perhaps is even expected to engage without fear of accountability, varies from culture to culture.

The "time out" concept has important implications for interpersonal relations within the context of the international market place. It is possible to have two business people each from a different culture, each engaging in time out behavior, which is acceptable or tolerated in his or her own culture. They may be unaware, however, that this behavior is perhaps not excusable or is even categorized as bizarre, depraved or offensive in their associate's society. It is important to develop a sensitivity to the fact that behavior, while intoxicated, is not uniform cross-culturally, that people learn, in each culture, how to behave while drunk and that such behavior is the result of socialization rather than of the toxic effect of alcohol upon the body.

In Hungary, according to one informant, when people drink "a lot," they characteristically "become sad because of the tradegies in their lives. They also become patriotic because of the sad history of the country. They may also tell off color jokes and political jokes." These jokes are very subtle, having to do with the Soviet regime. According to this informant, Americans are amazed and fail to understand the punch lines.

The range of "time out" behavior allowed to Hungarians when intoxicated does not include overt criticisms of the political system, throwing up or falling under the table. This behavior is not excused or tolerated. An individual will be held accountable for these actions regardless of his intoxication. Such behavior is outside the socially sanctioned limits of deviant behavior permitted while intoxicated.

If an American falls under the table, throws up or becomes offensive about Hungarian politics, the Hungarian may break off negotiations and look for someone else to do business with. It is not uncommon for Americans, when intoxicated, to start using such phrases as "damned commies." For a Hungarian, participation in such a conversation can jeopardize his job. It becomes safer to look for another, more discreet business associate. As for the man who throws up, etc., "A man who can't handle his liquor isn't much of a man. Why not look for someone else to deal with?"

In contrast, much greater tolerance may be shown toward this type of behavior in American life. For example, some years ago an incumbent United States Senator showed up intoxicated at a political dinner. The Vice President of the United States also happened to be present. The Senator arrived with a prostitute on each arm and proceeded to drink to the point that he actually slid from his chair unconscious under the table. Not only was this incident not given press coverage, but he was reelected several times and continued to serve for many years.

An even more dramatic contrast with middle-class American norms is offered in the case of time out behavior in Japan. According to one American informant:

> The evening includes geishas or a private salon with geisha entertainment. There are all classes of geishas. There are those who go to bed with you, and ones that don't. It depends on the locale and the company that's entertaining you. High class girls don't. Usually, if there are salesmen trying to sell you, they'll have the geishas who want to go to bed. Top level executives are not likely to have that kind of geisha.
>
> The geishas who want you to go to bed with them, that's where you have to draw the line. They help you with your chopsticks, pour the wine, but smart American executives draw the line. The girls will indicate you're the greatest, they want to go further. The salesmen are very aggressive, but I get the feeling they respect you if you don't' go to bed with the geishas. You don't lose by it.

According to the informant, these approaches are made later in the evening, after a great deal of drinking has taken place:

> What happens, the girls entertain by singing and dancing. Many times the girls have childish games. There's one called 1-2-3 with the fingers: they mean stone, paper, and scissors. You have to have the right combination. If you lose, you have to do what the geisha wants you to do, for example wrestling with the geisha. If you're a married man and a father it's rather difficult. I'm rather Victorian. No matter how hard you try to get out of it, if you don't do it, you will not be well received. This usually occurs later in the evening, after a lot of drinking has taken place.
>
> The geishas load everyone's drink every minute. You have to drink some. If you don't drink at all, it'll be noticed, then you have a problem. They'll think you're hurt or something. You have to drink a little, pace yourself. There's

> pressure from the geishas and the servants. Every time you take a little, they pour more.
>
> You have to control yourself. The whole evening's experience is a chore. Believe me.

This informant repeatedly stressed the element of control. He mentioned, for example, that when one is entertained at a Japanese inn, a young female, nineteen to twenty-two, is assigned to the guest: "She is yours for the night." He added that "This is when you're sober." He emphasized that the "smart" American executive comes away from the eating and drinking sober, and does not wind up in bed with the girl. At the same time, he recognized that many American businessmen do indeed welcome the opportunity to "play around".

It is not obligatory in Japan for the American guest to become intoxicated, and it is possible, in contrast to Hungary and Peru, for the individual to control the rate of alcohol consumption and the amount consumed, but according to this informant it is hard work. He stated that he drank saki (a Japanese wine) very slowly, in contrast to the brandy or scotch which his hosts consumed at a rapid rate.

For Americans a recurring theme in many of the interviews was that no matter what the local customs, the smart executive, the one who wants to get to the top, will somehow find a way to stay in control of himself. The above mentioned informant was an upper level executive. He repeatedly characterized Japanese drunken comportment as childish, a direct contrast, he commented, to the way Japanese men behave in their homes which is described as "ultra-ultra Victorian." The finger games and wrestling with the geishas, the singing and dancing that the hosts engaged in were all perceived by him as inappropriate adult behavior. Since in American society finger games and floor wrestling are indulged in by adults only with young children in the privacy of their homes, the same behavior with adults is likely to make an American feel out of control and/or foolish and suffer a sense of assault to his dignity.

One of the major functions of alcohol in a society (Hill 1978:463) is to serve as a boundary marker defining a variety of situations and the behavior appropriate to them. In American culture, for example, the use of alcohol in a business social interaction does not signal a context within which intoxication excuses childlike behavior, as it might at a class reunion.

It is important, therefore, that an American business person be aware that not only can drinking behavior in a foreign country be generally different from such comportment in America, but that such comportment may differ from situation to situation in a particular society. On the basis of data gathered for this study, it is clear that drinking with business associates in many foreign cultures is an important aspect of the business environment. Failure to conform to, or at the very least, understand the norms relating to this, can have serious implications for business transactions.

NOTE

1. I would like to thank all of my (necessarily anonymous) informants for giving so generously of their time and for speaking so freely to me about some rather sensitive issues. I would like to thank several people for giving me introductions to informants, suggesting questions I might ask, or serving as a sounding board for some of the ideas in this paper: Professor Virgil Blanco, Director of the Center for International Education at Middlesex Country College; Mr.Joseph Kaye, President of Laura Exports; Mr. Kevin O'Friel, Owner of O'Friel's Irish Pub in Wilmington, Delaware; Professor Karoly Nagy, Middlesex County College; Professor Margo L. Smith, Northeastern Illinois University; and Dorothy B.

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FORMING BUSINESS RELATIONSHIPS IN BANTU AFRICA

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Every generation of Americans has produced its pioneers, men and women ready to seek challenge on a new frontier. It can be argued that frontiersmen of the 1980's are those overseas businessmen who seek new markets in the third world. During this decade, U.S. firms have invested in nearly every third world nation on the globe, shepherding the movement of historically unprecedented volumes of capital, goods and technology. In so doing, their frontier has assumed a new form. The terrain is now familiar, but the local ways of doing business are no longer the same. In fact, some have no parallels within U.S. commercial culture, and thus prove difficult to comprehend.

This is particularly true when forming business relationships within cultures that differ markedly from ours. Consider, for example, the peoples of "Bantu"

Africa.1 The Bantu number approximately 100 million people. They make up either all or a substantial portion of the population of 14 African nations that form a rough triangle extending from The Republic of South Africa northward to Kenya and West to the Republic of Zaire.

Often, peoples scattered across so wide a global region differ strikingly from one another. This is certainly the case in S.E. Asia, for example, where every modern nation contains several ethnic groups that differ culturally, economically and linguistically from one another. All Bantu, however, hold these areas essentially in common. The structure of every Bantu language, for example, is sufficiently similar to permit communication far beyond a single tribal homeland. The same can be said for the structure of each Bantu society -- at least in rural areas where the West has yet to reach -- where conventions, codes, courtesies and customs are similar in every region.

Many of these conceptions are "communal", rather than "individualist", in that they are meant to benefit a social group, rather than the individuals within it. Within these areas of Africa, nationhood itself may still be fragile. Many states, in fact, are uneasy coalitions of former neighbors: smaller social units such as tribal, religious, geographic or ethnic communities that combined into nations only as Europe withdrew. Within many of these countries, the authority of smaller groups has only recently been challenged by the demands of national allegiance. The loyalties of their citizens, therefore, have remained "communal", emphasizing group prosperity over individual success. Indeed, individual success may draw communal censure, in forms that range from social ostracism to charges of witchcraft. Conversely, individual actions that serve a group provide communal status, recognition and respect.

These communal loyalties have sharply influenced African methods of doing business. Often, they are reflected in what may initially appear as "normal" Western business practices, supplying additional cultural dimensions that U.S. investors, corporate representatives and on-site project managers may need to identify, respond to and completely understand. Frequently it is when working within new nations that Americans feel most unsure; where political structures seem too "leftist" or economies too "undeveloped" for U.S. business strategies to be effective.

Americans rarely seem unsure, however, when actually conducting business. During the so-called office hours, they usually perform at peak. Rather, it is during the off hours, when foreign counterparts prefer to talk of other things, that U.S. personnel grow insecure. To third world businessmen, however, these are the hours that negotiations actually begin; for it is at these times that the communal aspects of business relationships may form.

Are Communal Business Concepts "Primitive?"

Americans are often uncertain of what motivates a communal culture. They strive primarily for individual success, whether social, political or economic. Rarely do they prove willing to place the interests of a lineage, clan or ethnic group above their own. In consequence, U.S. businessmen who first encounter communal aspects of commercial conduct may dismiss them--and the society they represent--as "primitive", "undeveloped", or "unsophisticated". Subsequent marketing approaches may thus be shaped to fit these preconceptions, as with the following:

> Let's start with a thumbnail sketch of our prime target: The African consumer....I would describe the average African consumer as very unsophisticated and more often than not illiterate.... This means that he is susceptible, in fact, very receptive to advertising.2

Alternately, Americans may subconsciously deemphasize the importance of communal business concepts, by deliberately overestimating the extent to which the foreign personnel they meet are westernized. Today's African consumer, of course, is most often represented in international ventures by "para-statals"; government sponsored and subsidized corporations with either total or near monopoly over the commodities with which they deal. These institutions are not required to earn profits, pay no dividends and have preferential access to both domestic markets and state financing.3 The men they choose to deal with U.S. executives are often educated in prestigious western universities. Thus, Americans on foreign soil may find it comforting to feel that British, French or U.S. educations provide common ground on which to work along familiar Western lines.

In some instances, this feeling may hold true. Certain sections of every negotiated settlement may indeed follow U.S. commercial concepts. Other portions may be decided without reference to the cultural needs of either side. Inevitably, however, aspects may emerge that may be most effectively resolved along indigenous lines; moments when even the most powerful of para-statals may be bound by communal traditional. These, in turn, may influence the behavior of these representatives, and thus the way they deal with foreign businessmen.

In such instances, it may simply prove more profitable to do things in a local way. The model described hereafter applies most clearly to the Bantu peoples of East, Central and Southern Africa. It may prove relevant, however, to U.S. businessmen in other Third World nations still in transition from communal to industrial society.

Classifying Strangers: Are You Alien Or Kin?

All cultures classify strangers, placing them in categories appropriate to the society involved. Once classified, both host and newcomer will know how to behave, interacting with one another in ways appropriate to the category involved. Thus, within traditional Bantu societies, a stranger might be classified as priest, prophet, healer, herder, cultivator, cattle-thief or witchdoctor. In each instance, different types of behavior would be considered appropriate to both sides.

In modern Africa, this type of categorizing may prove of considerable interest to U.S. businessmen, since the classifications into which they fall contribute significantly to the subsequent success or failure of their enterprise. Within much of Bantu Africa, for instance, many societies divide all human relationships into those involving "kin", "comrades", and "strangers". Individuals within these cultures describe themselves as living out their lives within three concentric circles, each composed of people who surround them and thus form the population of their private world.

These people perceive their inmost circle as composed wholly of kin; those to whom they are formally related by common ancestry. Throughout Africa,the sheer number of people to whom one is considered formally related may be staggering. An extended family can number scores; a clan, hundreds; a tribe, tens (or hundreds) of thousands. Each of these may claim descent from common ancestors, whether real or mythical. Thus, each member can call the others "brother" (or "father", "mother", "sister", etc.), and behave towards one another -- throughout a lifetime -- as though they were in fact close kin.

The second circle is much like the first, in that it consists of kin in more fictional form. Africans refer to members of this group as "agemates" (those who have ritually entered adulthood at the same time) or "comrades", both terms including those whom Americans in similar circumstances might label "friends". The U.S. concept, however, has less relevance in Africa. American friendships can be fleeting, emerging and dissolving as individuals pursue careers. Those that do survive are based wholly on affection, requiring few obligations more binding than the holiday visit or weekly telephone call. In contrast, African comradeship, like kinship, emphasizes lifelong obligation. Often, comrades choose to behave precisely like kin, addressing each other in familial terms ("brother", etc.), and deliberately assuming similar sets of obligations.

In many societies, for example, both kin and comrades are bound by three distinct types of obligation. One requires continuous display of respect for each individual's position and relative rank within the group. The second, of greater value in Africa's warrior past, is to protect all those who claim common kinship from physical harm. The third is to provide assistance in time of need, sharing material wealth with both real and fictional kinsmen to whatever degree might be required.

The outer circle, however, is as different as the two inner ones are alike, for it is composed entirely of strangers. perhaps these groups could be more accurately described as "aliens", for they are believed to be so different from either "comrades" or "kin" that no obligations toward them are required. Communal peoples in southern Africa, for instance, describe the members of this outer group as "predators", implying non-rational creatures with whom the in-group has no common contact and thus must fear. Men of other countries, of course, may all initially be classified as "alien". Since they are neither kin nor comrade, they too provide no common context to the Africans with whom they deal, and thus no guidelines to correct behavior. Like predators, therefore, such men engender anxiety and even fear. "How can we predict," one elder asked me, "how (foreign) strangers will behave? And not knowing, how can we know what to say and do with them?"

That question is terribly important to everyone in Africa. Members of most third world cultures focus sharply on behavior, believing that it must always be "correct"; a term implying both well mannered and socially predictable. Within communal cultures, predictable ("correct") behavior is that which meets the expectation of those with whom each person deals. These individuals should respond predictably ("correctly") in turn. The result, if everyone conforms, should be an ordered, stable and relatively predictable society.

To ensure this stability within their own lives, members of most African cultures choose to live as much as possible within the two inner circles of their personal world. Conditioned and thus concerned to behave correctly at all times, they feel acute anxiety when in contact with aliens, preferring to restrict their interaction to those whose cultural responses are possible to predict[4] (Reardon 1981; Demente 1981). This isolation is not difficult to maintain, since no member of a communal culture stands alone. He is kin to many people. He can be comrade and thus behave as kin to scores. He lives, at least in theory, at the center of an extensive social matrix, whose members interact with him on every side. His life is therefore less geared towards individual achievement than maintaining constant harmony with those to whom he is bound.5

Fitting In: The Greeting Strategy

Certain individuals emerge within each culture, of course, who do wish to deal with aliens. Notwithstanding, they often prefer to do so in traditional form, following traditions known to their people and thus suited to themselves. The first of these may simply be to classify the foreign businessmen with whom they deal. In many regions, the strategy most often used to do this is the extended greeting.

In America, greetings are often perfunctory, serving little more than momentary notice that one is there. In Africa, the greeting can extend over a much longer period, while serving a wholly different purpose. Within Swahili speaking regions, for example, no one will ever ask the alien "Unakwenda wapi" ("Where are you going?") as he walks by, as might be the case throughout rural America. Rather, the stranger--White or Black--hears "Unatoka wapi" (where do you come from?) repeated over and over by everyone who comes in range. The question operates on levels unique to Africa. Its focus is not geographic (origin, destination), but intended to elicit a response in communal terms. It suggests not one, but an entire sequence of related questions, each of which would systematically be put to the stranger, should he stop to talk:

> "Where are you from? What is your clan? To whom are you kin? Could I be kin to you? Where do you fit? What are my obligations to you? WHAT IS CORRECT? HOW SHOULD I BEHAVE?"

I recall my own surprise the first time a sophisticated African business acquaintance inquired as to the identity of my grandfather, extent of my clan and whether I was "still a warrior" or had "entered elderhood". His intent, I now realize, was to establish my place within his world. To do so, he had first to explore the possibility of relationships between us, either through common kin or the social rituals that bound him formally to comrades--here meaning men of his own age-range ("age-mates") who had just "entered elderhood". Neither my nationality nor race precluded these possibilities; the inquiry was sanctioned by tradition. Only after failing to find such bonds would he have consigned me to his outer circle as an alien. Thereafter, he would have been distant, wary, anxious and polite, displaying studied courtesy, but neither warmth nor trust--in short, behaving as one does with strangers.

Once aware of this tradition, U.S. investors, negotiators and management personnel may find it useful to participate in these extended greeting strategies with unstinting good will, responding to what may seem unduly personal inquiries in appropriate detail. Indeed, it may prove both appropriate and interesting to ask similar questions in turn, inquiring as to the family, clan affiliates and even ancestry of local counterparts. On one side, the hosts may simply be following tradition, placing each foreign guest within a proper social context, thus providing both groups with the data for correct behavior. On the other, guests who respond as tradition demands demonstrate both respect for local custom and the wish to do business in the local way.

Becoming Known: The Visiting Strategy

Alternately, since the hosts also hope to do business, they may use a second strategy; one deliberately intended to allow the U.S. businessmen to enter the inner circles of their communal world. On occasion, third world business personnel who lack relationships with U.S. counterparts may simply decide to create them. To do this, they may use a "bonding" strategy, intended to establish a type of fictional kinship between the foreigners and themselves, thereby creating patterns of expected behavior to which both sides can conform.

In East Africa, for example, this type of bond may be created by participation in specific social rituals. In the past, fictional kinship could be dramatically forged by the mingling of blood. Two strangers, wishing to declare common ancestry, could ceremoniously gash their wrists, then place both wounds together. As their blood mingled ("became one"), they would declare themselves "brothers", in mutual disregard for their actual heritage. Thereafter, they would assume the traditional kinship obligations (respect, protection, aid) towards one another throughout their lives, passing them on to their descendants. These persons would transmit them in turn, behaving as kin while their numbers expanded, until the original ritual that joined their families had been forgotten and only the relationship remained.6

In modern Africa, the same type of fictional kinship may still be established through participation in specific social situations. Today, they involve the institutions of the "visit" and the "gift". Unfortunately, U.S. businessmen abroad take little time to visit. Among Americans, the business lunch and dinner are accepted, but occur more in restaurants than private homes. Africans, in contrast, find endless time to visit, most often within their homes. Notwithstanding, like the American business luncheon, these meetings are not wholy meant as leisure. Rather, they are a form of work; for through visiting, men build the reciprocal bonds that permit them to conduct business.

In many regions, these visits are obligatory. In the African past, visiting patterns were set by tradition: for each individual, whom he was supposed to see, when, and for what purpose. Nor were foreign visitors exempt, those who wished to fully join society, having been drawn into the prevailing pattern after appropriate instruction from those older than themselves. One noted authority recalled her introduction to the system during her first visit to Africa. Having settled in, she began to learn the language, primarily through having to receive and talk with constant streams of visitors. Contented, she settled into a routine, only to learn that she was violating custom:

> And you (the foreigner) must stop wandering aimlessly about the countryside and start calling to return the gifts you have received. And that, concluded Ticha (The African) is truly so.7

Within urban areas, modern influences have blurred the custom but only to a degree. Even the most westernized among Africa's city dwellers know when it is appropriate to visit, with whom, and when to expect visitors in turn. U.S. businessmen wishing to understand the system may thus find it useful to fit in. This is often more difficult than it may sound. Many Americans, although tired after a long days work, prove willing to extend their working hours late into the evening, often in the form of business-related social functions. It can prove more difficult, however, when those visited appear unannounced at one's own home--or hotel--in their turn. Westerners still regard even the most transient homes as their castles, to be barred and shuttered at night. Africans, conversely, may regard it simply as part of their community--one dwelling among many in the "urban village"--where everyone is always welcome. Americans hoping to fit in many need to revise the U.S. image of where and how to spend an evening, as well as the basic purpose of a home.

Giving Gifts: The Bonding Strategy

Each visitor must bring a gift. Lacking material wealth, the object may be a token, such as a single egg. Alternately, it may become a service, taken on deliberately to please the host. In cases of real poverty, it may be little more than a continuous series of verbal gestures, deliberately intended to display submission and respect. Invariably, these will be accompanied by the use of an honorific title, used to honor the host. In the past, such titles drew on symbolism ("elephant", "lion" etc.). Today, they are formalized ("Bwana", "Ssebo", etc.). The purpose, without exception, is to provide the recipient with the gift of verbal recognition.

Within African cultures, however, such gifts are based on obligation, rather than affection. They are presented not only to provide short-term pleasure, but also as the basis of a long-range bond. Consider, for example, the forms this strategy may take within Muslim areas of Bantu Africa such as the Swahili Coast. Within these regions, many merchants greet the Western customers who intend only to browse among their goods by inviting them to tea. Seated, the customers drink at leisure, while the merchandise is presented piece by piece for their inspection. The merchant has thereby achieved three goals. His customer has been honored, immobilized and placed under obligation.

The Westerners, in consequence, often unexpectedly feel the need to repay the obligation thus incurred. Lacking suitable material gifts, they frequently respond with decisions to buy--not because they really need the merchandise, but to return the seller's "gift" of hospitality. The buyers, considering their obligation discharged, then leave the shop in the belief that relations have ended. To the sellers, however, they may have just begun. Their intention, in giving gifts, is to create relationships of such depth as to induce their customers to return. A second visit might mean presentation of another gift, perhaps of greater value. That, ideally, might mean a second purchase, leading to further visits, continued gifts, new purchases and the gradual emergence of a personal and commercial relationship, intended to enrich them both.

The point of the process, obviously, is not the exchanges themselves, but the relationships they engender. Under ideal circumstances, the process should be unending, with visits, gifts, gestures and services flowing back and forth among participants throughout their lives. Beyond that, each merchant strives to form many such relationships, creating an entire inner circle of individuals with whom he can develop similar exchanges. The purpose, explicitly intended and universally understood, is to create both commercial prosperity and universal good will among everyone concerned: a world in which--as one elder described it--

> . . .all men who visit me (in his commercial establishment) behave as brothers. Indeed, they are my brothers, ensuring by their gifts (purchases) that I survive.

It can be difficult for Americans, oriented towards individual achievement, to adapt to cultures in which men work primarily to create networks of personal obligation and communal good will. From the U.S. perspective, for example, a continuous exchange of gifts and visits creates bonds of comradeship rather than (even the most fictional forms of) kin. It is important to realize, however, that the distinction may blur in the minds of their African colleagues. This is especially true within cultures where the obligations incurred by those in both categories are identical. To visit and give gifts is to behave like kin.

The distinction may also blur in times of economic crisis, when citizens of third world nations cannot turn to their governments for aid. Rather, their security must come entirely from those with whom they have relationships, whether as fictional or actual kin. In times of plenty, therefore, men in communal cultures bestir themselves to give and visit ceaselessly, aware that every act of generosity creates a corresponding obligation, to be remembered and eventually returned. U.S. executives who wish to work within the local systems, may find it both personally and commercially profitable to "behave like kin", and do the same.

Rules of the Game: A Giver's Strategy

It is the gifts, therefore, that form the catalysts from which most social and economic relationships emerge. U.S. businessmen who hope to profit from this knowledge must thus set themselves two tasks. One is simply to transcend American concepts of what gifts should be and the purposes they serve, replacing them with those of the specific culture within which they work. The second is to learn the rules of local gift-giving games, as well as what they symbolize to those involved, in order to become a skillful player.

No single set of rules applies to every culture. Variants appear within nations, regions and even villages, knowledge of which must be acquired by questioning those most directly involved. The following principles, however, have proven useful to Americans (myself included) in every part of Bantu Africa:

1. Give First

Generosity ("first gift") begins with the superior. In African terms, a "superior" ("big man") is anyone with higher social status, greater wealth or more political power than his counterpart. It is he who must initiate what will eventually become a reciprocal set of obligations. By presenting the initial gift, he indicates the desire for a relationship with an "inferior", someone with lower social status, wealth or power, that is intended to benefit them both.

The pattern is identical within a corporate milieu. In most instances, the side (commercial firm, para-statal corporation, etc.) possessing the greatest economic leverage is considered socially superior as well. Those who represent it are thus entitled--and, indeed, expected--to initiate gift-giving relationships with representatives from the other side.

During the mid-1970's, for instance, U.S. executives from several major U.S. oil companies, most notably Gulf, negotiated at great length with ministers of the newly independent Afro-Marxist government of Angola. The country lay in ruins, its economy bankrupted by a three-way civil war that had raged for years. Its oil lay offshore, beyond the reach of African technology. The Angolans faced poverty. The U.S. firms could offer capital, technology and hope. There was no question on whose side the power lay.

Under these circumstances, it would have been inappropriate for the Angolan ministers to seek out key U.S. negotiators, bearing gifts. In African terms, to do so would have suggested a social, economic and political ascendance that both sides knew belied the circumstances. Instead, key Americans, symbolizing the comparative prestige and power of their parent firms, would have been expected, by their foreign counterparts, to initiate long range personal/commercial relationships through presentation of initial gifts. In so doing, the U.S. actions would have signaled their desire to begin contacts eventually intended to benefit both sides. American investors who find themselves in similar situations may therefore wish to consider the potential long-range value of an initial gift--not with regard to its aesthetic or financial value, but the long-term bond it is intended to create.

2. Keep Giving

Gifts must also be presented with sufficient frequency to continuously reaffirm the status of a superior in the recipient's mind. Within regions as diverse as once-pagan Ruanda, Christian Ethiopia and the Islamic Swahili Coast, tradition requires those of high status to periodically provide gifts to those who support them, in order to retain their continued allegiance.

The gifts were widely varied, but the pattern was the same. Among the Ndebele peoples of today's modern nation of Zimbabwe, for example, all cattle belong in theory to the King. He, however, was required by custom to distribute them lavishly among his warriors, in exchange for peerless service in time of war. Among the Baganda peoples of todays Uganda, all women belonged in theory to the Kabaka (ruler). He too, however, was bound by tradition to distribute them among his followers, in exchange for the tribute (taxes) that supported his throne.

The pattern was often followed during the colonial era, when European conquerors often found the greatest profit by stepping into the existing roles of the local elitists they had deposed. In many instances, they found their new positions required periodic distribution of gifts, often on lavish scales in the form of traditional feasts.[8] In exchange, recipients met their traditional obligations by providing loyalty, status, symbolic gestures of respect and--most important--the continued labor required to uphold and enrich British colonialism.

Most Americans find it easy to give, but much harder to keep giving. Aside from considerations of expense, our own traditions state that gifts should be reciprocally exchanged, and be of roughly equal value. WHen this does not occur, the giver feels exploited. The rule may seem more relevant, however, when considered from an African perspective. Clearly, in nations marked by enormous gaps between the rich and poor, continuous acts of generosity reflect high status. Obviously, when Americans within these countries both represent great wealth (through their firms) and seek such status, it seems better to give than receive. Moreover, it seems better to give frequently, for by so doing key U.S. personnel not only display respect for local custom, but generate the loyalty, prestige and--most important--the continued labor required to meet their firm's commercial objectives.

"Inferior" Roles: A Receiver's Strategy

1. If You Receive, Reciprocate

Reciprocity is eventually required. It provides "inferiors", those of lower social, economic or political status, the chance to participate in the relationship. The very act of reciprocity thus gives worth to the inferior role. In theory, each gift may be reciprocated with one of roughly equal value. In practice, as mentioned, inferiors who lack the material wealth to respond on equal terms may provide tokens, services and continuous gestures of verbal respect. In so doing, the process of exchange continues, as each side reaffirms the relative status of the other, thereby delineating their relationship to the point where both will know how to "correctly" behave.

When forming business ties, Americans often seek out the superior role. Notwithstanding, that of the "inferior" may prove just as profitable in developing commercial interaction. In Africa, for instance, all positions of power are monopolized by relatively small numbers of the local elite. As a result, highly placed bureaucrats may be able to force U.S. business interests into supplicant ("inferior") roles. In 1974, for instance, Americans discovered and laid claim to what promised to become one of East Africa's most profitable ruby mines. In subsequent years, however, they found themselves increasingly powerless against members of the local political elite who sought it wholly for themselves.9

In such instances, it is the inferior role that may prove most valuable in attaining commercial goals. Once aware of the obligations inherent in gift-giving and receiving, U.S. firms may be able to use both in such fashion as to get those in power to assist rather than obstruct them. The story is told, for example, of a Western firm operating in Zaire during the 1970's, a period when the economy had deteriorated to a point where the wages of government employees were rarely paid. In response, key Zarois bureaucrats approached officers in the firm, presenting them with symbolic gifts, in local fashion, as befitted men in posts of power. The company responded with appropriate expressions of verbal deference. Having reaffirmed the bureaucrats' social, economic and political superiority, it reciprocated with equally symbolic gifts in turn--in this instance selecting goods that could be sold swiftly on the black market. The funds enabled the officials to go on working, thereby retaining their "superior" positions. This in turn allowed them to render reciprocal services to the firm, enabling it to maintain both its "inferior" social role and profitable balance sheet.

U.S. businessmen who find themselves in similar positions may therefore wish to examine the "inferior" option. In these cases, it may seem clearly more profitable for others to give, while we receive. In accepting gifts, however, Americans must realize they will owe favors in return. In Africa, the expected behavior is to wait, remain aware of what you owe, and seek the moment (and the manner) in which reciprocation will do most good.

2. Remember That Relationships Remain Unchanged

From an African perspective the obligation to reciprocate is relatively "timeless," in that it remains in the minds of both donor and recipient until eventually repaid. However, there are no deadlines. Repayment may be delayed for months, years or even across a generation, as might occur when sons inherit the favors owed to others by their fathers. In such cases, obviously, the relative status of those within such relationships would remain unchanged. What may be less obvious, to Americans, is that both sides would remain content, regarding acts of repayment as wholly secondary to continuing the relationship itself. On one side, gifts have been given; on the other, favors are owed. Since all parties acknowledge the type of relationship that has emerged, and each accepts his relative position within it, there is no need for change. Indeed, one gift repaid would simply lead to others being given, as the more powerful party once more reasserts his higher status. In

consequence, where both sides recognize the benefits of inequality, the relationship remains unchanged.

3. Reciprocate on "African" Time

Americans concerned with foreign business ventures soon become sharply aware of indigenous concepts of time. Many treat them as a standing joke. To set appointments by "African" time, for instance, means you intend to be seriously late. The core of the problem, however, does not lie in the failure of Africans to read Western watches, but the failure of Westerners to measure time in African terms.

In most of Africa, time can be measured in two ways; one based on indigenous tradition, the second on Western science. In central Kenya, for example, time was measured until this century by observations of the agricultural, lunar and human life cycles,[10] all geared to slower rhythms than those used by Western science. European measurements of time were imposed by conquest and only reluctantly accepted by those with whom they came in contact.

Nonetheless, while many Africans bought watches, the older system never disappeared. Rather, it co-existed with its alien counterpart, invisible to Westerners but available to the indigenous peoples as required. Within these and culturally similar regions, therefore, time does not always pass according to American preconceptions. On some occasions, notably those that third world peoples share with foreigners, it can be measured along Western lines. At other times, notably those shared only with comrades and kin, it becomes elastic, stretching out indefinitely and thus serving different purposes than in the west.

Gift-giving, since it occurs primarily among comrades and kin, falls into the category in which time becomes elastic. Americans who join the system quickly comprehend the concept of reciprocity, yet seem unable to believe that a second time scale is involved. Nor are they aware that this second, more elastic scale is meant to extend and thereby deepen the bond between recipient and giver. In simple terms, the longer repayment is delayed, the stronger a relationship becomes. As one elder explained:

> My son-in-law owes me 500 cows. It will take his lifetime to repay them all. Throughout my lifetime, he will remain in my debt. He will know it. I will know it. All will know it. Sometimes, when I need a cow. I will ask him for one. He will always have one to pay. Meanwhile, all will know that I am the "Big Man", the man who someone owes 500 cows. Why should I hurry him to pay them all? If he does, we will have no uthoni (relationship, sense of kinship) and it is not hurry but uthoni that sweetens life.

These sentiments also operate within the African business world, where cows can be replaced by business obligations, and where it is "not hurry but uthoni" that sweetens commercial life. Businessmen who wish to utilize African concepts of time, particularly when forming commercial relationships, should closely examine two options. Within environments where gifts are used to generate a sense of obligation, it may prove best to deliberately become a "giver", collecting future "favors" from key foreign personnel in full awareness they will repay them over time. Alternately, it may be profitable, in other circumstances, to deliberately "receive", accepting gifts from local counterparts in full awareness that you will owe them future favors. In either case, reciprocation should be on "African" time, meaning that moment that seems best for everyone. Meanwhile, in every case, the relationship that forms provides the groundwork to do business.

"Requesting" Gifts: The Gateway Strategy

Gift-giving relationships may also emerge in ways that have no parallel within America, and thus can be totally unexpected by U.S. personnel abroad. One of the least expected may occur when key foreign personnel approach Americans to ask for gifts. My own initial experience with this concept occurred in East Africa, in the mid-1960's, when a respected African business colleague

invited me to visit his home village with the following words.

> . . .and Bwana, as we are now friends, I would like (you to bring) an eight band radio to my home, when you visit.

This type of request has no parallel in a U.S. culture when we are taught to value self-sufficiency. If it occurs, it is usually rejected, either with amusement or in anger and scorn. Within Africa, as a result, the same type of suggestion may cause even the most Afro-centric and culturally sensitive U.S. businessman to experience a burst of inner anger. Personally, I was furious. Outwardly, I simply kept on smiling. Inside, my stomach boiled. My gut reaction took only moments to formulate. Eyes blazing, mouth smiling, I simply walked away.

That walk was not the longest of my life. It was, however, one of the least commercially productive. For in deciding to form business relationships by American rules, I terminated more than a commercial venture. I also closed a gate that opened into a foreign culture. Not every businessman passed through the opening. Beyond it, however, lay the opportunity to do business in their fashion, as well as the start of an interpersonal relationship 'that could have anchored my commercial prospects in that region for years to come.

To Americans, the core of every foreign business venture is the profitability of the project at hand. To fricans, it is the human relationships that coalesce around it. Yet, when dealing with Westerners, they are often uncertain as to how they can be formed. How can social ties be formed with Americans who speak only of business, even when at leisure? How can traditional gift-giving begin with people unaware of the traditions? Without gifts, how can relationships be formed? And without personal relationships, how can one assume that foreigners will meet their obligations?

Faced with such questions, it is understandable that African business colleagues may decide to initiate gift-giving relationships on their own. If powerful, prominent or wealthy, they may simply begin by taking on the role of giver. If less powerful or comparatively poor, they may become recipients, reasoning that the relationship that will emerge should benefit both sides.

It is when viewed from this perspective that such requests may assume hidden dimensions, of which all U.S. businessmen should be aware. Attempts at extortion, obviously, will inevitably occur, but it may prove commercially unproductive to regard every petitioner as a potential exploiter and thief. Rather, in much of Africa, requests of this nature may go beyond a petitioner's desire for personal enrichment. Instead, they may suggest that the Africans involved may have made several decisions regarding the U.S. personnel with whom they hope to deal.

One, is that key Americans, as representatives internationally recognized commercial firms, may have greater economic, social and occasionally even political leverage than their local counterparts. In consequence, hosts may feel it beneficial--both to themselves and others within their social and commercial circles--to draw them into the system of reciprocal gifts, visits and obligations that form local ways of doing business.

The hosts may realize, however, that Americans know little of their culture. As strangers, they may be unaware of local gift-giving traditions, nor their relationship to local forms of doing business. They may, alternatively be generally aware of such relationships, but have no idea of how to enter in. In such instances, simple courtesy suggests it may be incumbent on the hosts to indicate--perhaps obliquely--how entry into the system can be made.

The language used by my East African counterpart in requesting a radio may serve as an example. His tone was warm, courteous and thoroughly respectful. His mastery of English, however, was limited: unintentionally the words were framed as a command; phrasing that Americans find enraging and impolite. Nonetheless, while emphasizing that we were "now friends", he verbally assigned me the superior role, in this instance by specific use of the honorific "bwana" (sir) instead of "rafiki" (friend). From his perspective, the decision was highly appropriate, considering the relative differences both in our material wealth and the institution where we were each employed.

Having assigned the role, he simultaneously indicated how it should be played in this instance, by presenting an initial gift (the radio) during my first visit to his home. In fact, I had not merely been invited to a dwelling, but to meet an inner circle of comrades and kin, and through their teaching, into the maze of gifts and visits that linked them all. His hope was that I would respond to local fashion, conducting business by forming bonds among those with whom I wished to deal.

Cultural barriers can be hard to cross. Americans rarely "ask" for gifts when doing business, and thus find it easy to grow angry if asked to give them. Notwithstanding, U.S. personnel abroad may find it profitable to choose a "gateway strategy", examining each petition and petitioner from local perspectives as well as our own. The purpose of such inquiry is to determine whether such requests reflect a local way of doing business and offer "gateways" into that culture's inner world. This may involve research into the regional, communal, tribal and even clan traditions of the area, depending wholely on the specific personnel with whom one wishes to do business. It may also require extensive oral inquiry into indigenous business methods, traditional and modern, contractual and outspoken, as well as tactics used by local personnel to interface with foreigners.

The results may be surprising, both to the individual and the firm he represents. What may initially have been perceived as begging, blackmail or even personal extortion may, on further analysis, be revealed as local tradition, trans-cultural courtesy or attempts to make friends.

Among the peoples of Bantu Africa, it may signal a wish to do business.

NOTES

1. Data presented in this article are drawn from 15 months of oral interviews in Eastern Africa (1969-1970), followed by several years residence, commercial experience and academic research within the Bantu speaking regions (south, south-west, central, east) of the continent. Where relevant, I have drawn both on non-Bantu and other Third World cultures with comparable characteristics, where I have had personal experience.

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3. Walter, K. D. and Monsen, R. J. 1979. "State Owned Business Abroad: A New Competitive Threat". Harvard Business Review, March-April.

4. Reardon, K. K. 1981. "International Business Gift-Giving Customs: A Guide for American Executives". Wisconsin: Parker Pen Company (a private paper prepared for industry). De Mente, B. 1981. Japanese Manners in Ethics and Business. Phoenix: Phoenix Books. Both sources provide interesting parallels to this analysis within Japan, Latin America, and the Middle East.

5. Fadiman, J. A. 1982. An Oral History of Tribal Warfare: The Meru of Mt. Kenya. Athens: Ohio University Press.

6. Ibid.

7. Bowen, E. S. 1964. Return to Laughter. New York: Doubleday & Co., Inc. This source provides a detailed illustration of the visiting and giving process in Africa.

8. Allen, C. 1980. Tales from the Dark Continent. London and Sydney: Futura. This book contains oral histories drawn from District Commissioners who served during colonial rule.

9. Jacoby, N.; Nehemkis, P.; and Eells, R. 1977. Bribery and Extortion in World Business. New York: Macmillan Publishing Co., Inc. p. 149.

10. Jacobs, A. H. 1968. "The Chronology of the Pastoral Massai". Hadithi, Vol. 1, University of Nairobi. Bernard, F. E. 1972. East of Mt. Kenya: Meru Agriculture in Transition. Munich: Weltforum Verlag. Both books elucidate African (Central Kenyan) concepts of time.

THE ANTHROPOLOGIST IN MARKETING[1]

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> "Ultimately, the true ethnographic field study may offer the most intensive approach possible to understanding the cultural traits and configurations that characterize consumer purchasing decisions."
>
> --Engel, Kollat, and Blackwell
> Consumer Behavior (1968:239)

Comprehensive discussions of buyer behavior often acknowledge the relevance of cultural anthropology to consumer behavior studies and draw upon constructs central to ethnology--culture, social classes, reference groups, family structure, statuses and roles, and cross-cultural behavior (cf. Howard 1965:152-77; Engel, Kollat, and Blackwell 1968:231-344; Cohen 1972:381-8; Myers and Reynolds 1967:169-262; Bennett and Kassarjian 1972:96-129; Assael 1981:261-369). Yet rarely do marketers use ethnographic methods or do anthropologists publish in marketing journals. The exceptions, like Winick (1961), Allen (1971), and Barnhill (1967), tend to emphasize possible anthropological contributions rather than to give, like Foster (1949), Dannhaeuser (1983), and Burkhalter (1982), more specific, detailed data.

Marketing departments frequently recruit specialists from other fields--economists, psychologists, social psychologists, sociologists, and applied statisticians, but seldom anthropologists. One of the field's major journals, The Journal of Consumer Research, is interdisciplinary and co-sponsored by several professional organizations, including the American Anthropological Association since 1978. A recent report on the supply and demand of business school faculty by the American Assembly of Collegiate Schools of Business (AACSB) suggested the hiring and training of non-business Ph.D.s in the face of critical shortages of available faculty, a shortage that left 20% of marketing faculty positions unfilled in 1981-82 and an estimated further 8% unfilled in 1982-83 (Kaplan, Porter, and Smith 1982:16-7 and 19-20). Why, then, have so few anthropologists joined marketing faculties? Do anthropologists have any empirical contribution to make to marketing?

One basic reason so few anthropologists turned to marketing in the past is their own supply-and-demand situation. Before the Second World War, there were very few anthropologists, and most found work either in museums or in the few anthropology departments. After the war, interest in different cultures grew, universities expanded partly in response to liberal veterans' benefits, and the number of anthropology departments increased rapidly. As there were few doctorates in anthropology, the demand for them was high, and they readily found employment in their own field. By the mid-1970s, this trend had leveled off, and, by 1980, the supply of anthropology Ph.D.s more than equaled the demand, a circumstance experienced several years earlier by other disciplines. The post-war baby boom and the following years of declining rates of births created a peak demand for college education in the decade from 1965 until 1974, with demand falling sharply in the next several years. So it is only recently that anthropologists have been encouraged to range further afield to apply their skills in areas like marketing and organizational behavior.

This delay is unfortunate, for anthropological methods can be especially useful in exploring how the total social context of the consumer affects his or her purchasing patterns. Much information is readily available in extant ethnographies and awaits only the application of cross-cultural comparisons to make it applicable to marketing problems. Cultural anthropology is holistic, considering together the social relationships, beliefs, values, and other cultural patterns that influence behavior. Although my particular view is that ideology tends to be built up after behavior, there is no doubt that they interact systemically, and this is of great import in analyzing particular events. For although individuals may be motivated by a variety of drives, they act in conformance with norms linked to social class, ethnic group, and geographical region.

My observations of purchasing in an Amazonian peasant village provides a pertinent example. Here, the shopkeeper is seen as a patron, and goods are often bought on credit. This is sometimes advantageous to the buyer, as when medicines or food are needed and money is unavailable. More often, it is to his disadvantage, for the shopkeeper minds the books, not always fairly, and does not fear losing customers if prices are high because they cannot afford to risk losing his patronage by buying elsewhere (Burkhalter 1975). The norms governing this patron-client relation clearly relate to the customer's need for security in times of want and to the shopkeeper's willingness to profit from this.

Anthropological training and ethnographic experience emphasize the institutional contexts both of the consumer and of the locale in which the purchasing occurs. Thus, besides noting that a farmer buys an item in a country general store situated at the intersection of two state roads, the ethnographer would seek to learn what social relations permeate the interactions between the farmer and the merchant. Are they relatives or old friends? How long have they known each other? What activities do they pursue in common, like hunting and fishing, attending church picnics, promoting the country fair? Are purchases made on credit or with cash? Are acts of purchasing often just an excuse for the buyer to socialize by joining the men hanging about the general store?

One contribution anthropologists can make to marketing is a sensitivity to cultural configurations that are not easily measured or assessed outside the environment in which buyer behavior takes place. Just as in many ecological studies conducted in wildlife reserves rather than in laboratories, there are advantages in observing behavior in its natural setting. The presence of an observer has an effect, but generally less than do artificial environments. For studying many factors, the controlled experiment is the best approach, but, for others, it clearly is not. The willingness of a merchant to extend credit or the fact that the teenage sons of the buyer and merchant play on the same little league baseball team may be more influential in purchasing decisions than are price or product attributes. When such relations are taken into consideration and treated comparatively, much that remains inexplicable by usual marketing research methods may be understandable.

What could such information on the social context mean to management? In some cases, marketing strategies could be affected considerably. If the relations between seller and buyer exclusive of the act of purchasing are more important than product attributes, then it might be wiser to retail one's product in a greater number of smaller stores than in fewer larger stores, where prices may be lower but customer-merchant relations more attenuated. Such decisions would depend upon the market segment targeted and upon the product's appeal to those of various social classes, ethnic groups, age categories, and regions.

Often a combination of approaches is the most rewarding. An ethnographic study involving participant-observation, depth interviews, and questionnaire surveys could be coupled with social psychological experimentation using participants drawn from the same group already studied. This would allow a more comprehensive view of the factors influencing purchasing decisions.

A number of marketing problems are of special anthropological interest; these include market segmentation according to sex, generation, social class, ethnic group, and culture area, cross-cultural studies of buyer behavior, and social marketing in the presence of cultural barriers.

Market segmentation is a concept central to marketing (Wind 1978), and the study of how segments differ in their buying behavior is an area that stands to gain much from ethnographic research. Here, notions of culture and subculture are important, for ideas as to what the proper dress, foods, and entertainments are for various age groups and for the two sexes vary considerably. Much initial research can rely on work already published in a number of ethnographies; these can be accessed using the Human Relations Area Files (HRAF), which are coded according to criteria established in The Outline of Cultural Materials (Murdock et al. 1971). Content analysis of buyer behavior in different cultures can be done on data drawn from these files, and this can be used, for example, to test assumptions concerning the extent to which companies marketing their products internationally should tailor their advertising to particular cultural areas. Clearly in some cases, this tailoring is extremely important; in others, it may not be. Content analysis interprets ethnographic data in a systematic, quantifiable way, thus avoiding common criticisms that such data are primarily anecdotal (cf. Kassarjian 1977). Cultural materialist (Harris 1979) and cultural ecological (Johnson 1978) strategies share this same advantage.

Although marketers do consider ethnic group variations in consumer behavior (cf. Sexton 1972; Hirschman 1981), greater use could be made of ethnographic data to explore the social context of this purchasing and consumption. For example, Carol Stack's (1974) participant-observer study of blacks living in a Midwestern urban ghetto gives much insight into how they spend their money--with some surprising results on the swapping of possessions and on how much money is spent on cab fare to maintain domestic networks.

The marketing scholars Melanie Wallendorf and Michael D. Reilly (1983) have drawn upon the ethno-archeological data of William Rathje (1978) and others (Rathje and Harrison 1978; Rathje and Hughes 1978; McGuire, Hughes, and Rathje 1982), who analyzed garbage collected from various neighborhoods of Tucson, Arizona. These data, supplemented by roughly comparable data from the Federal District of Mexico, were used to compare the consumption patterns of Mexicans, Mexican-Americans, and Americans of non-Mexican heritage. Wallendorf and Reilly (1983:300) discovered that the Mexican-American pattern differed from both other patterns, but was not a simple transition between the two.

Yet another comparative study of Mexican-Americans and Americans of non-Mexican heritage found: "not only are there broad level cultural differences, but ethnic differences also exist in the specific criteria used to select a common convenience product" (Hoyer and Deshpande 1982:91). As early as 1956, Alan S. Marcus (1956:86), writing in the Advertising Agency Magazine, called for the use of anthropologists by agencies to develop new and appropriate advertising themes for the Spanish-speaking U.S. market. Anthropologists can contribute much in these areas, but few have done so yet, although I am aware of at least three Ph.D.s in anthropology who work in marketing research or advertising firms at quite lucrative salaries.

Intensive ethnographic study can compare samples of informants drawn from the upper lower, the lower middle, and the upper middle social classes, the classes generally of most interest to marketers. Class values, attitudes, and behaviors vary greatly, a fact significant to marketing (Levy 1966), and we would do well to ask with Richard P. Coleman (1983:265): "How does class affect the use of income?" Comparing class-influenced behavior in selected communities promises to add much to what is known about their buying patterns, and this again involves the participant-observer techniques so essential to cultural anthropology.

International marketing almost always entails marketing cross-culturally, often where surprisingly little information on cultural preferences, taboos, and ways of behaving is available. This is particularly true when marketing to Third World countries that are markedly pluralistic. The anthropologist's expertise could be of obvious value not only in avoiding semantic gaffes, but also in determining the appeals that are most likely to be effective in specific foreign markets (cf. Keegan 1980:391-2). Even more importantly, the anthropologist can provide valuable feedback on the appropriateness of particular products in certain markets and on the manner in which business in general is conducted in a specific culture. Considering the rapidly growing volume of world trade (Terpstra 1972:22), such advice is likely to be more and more in demand by multinational corporations (cf. Burhkalter, in press).

Marketing and anthropology are arguably the broadest and most ecletic in subject matter of the business fields and the social sciences respectively. Perhaps their breadth gives rise to a common problem--the public's general lack of awareness of what the concerns of each discipline are. Just as anthropology is often popularly identified solely with the digging up of ruins or with the study of bones, marketing is similarly misconstrued as being primarily limited to advertising (a topic that receives relatively little attention in most marketing curricula). Marketing as a field of human endeavor is itself of inherent anthropological interest, as Griff Coleman (1984) has shown.

Anthropology's holistic approach complements the work of those whose training emphasizes individual decision-making apart from the social environment or with respect to more narrowly defined reference groups. That a person is motivated by hopes of economic gain, that decision-making is influenced by personality and product attributes, and that interaction with reference groups and opinion leaders may determine choices are concerns that do not preclude influences from the culture or subculture on the purchaser. Understanding human behavior on a number of levels enriches our grasp of the whole individual.

NOTE

1. This is dedicated to Donald G. Morrison, whose encouragement to study marketing has meant so much to me. My thanks go to him, Donald R. Lehmann, John U. Farley, Robert F. Murphy, Marvin Harris, Neil Goldberg, Kim Goslant, Constantine Hriskos, Joel Steckel, Wilfried R. Van Honacker, Gregory Carpenter, Srinivas Reddy, and Thomas Christian for reading earlier versions of this paper and to Hendrick

Serrie for helpful comments and for encouraging its publication. Any errors or other faults that may appear here, however, are solely the author's responsibility.

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THE AMERICANIZATION OF SHOYU: AMERICAN WORKERS AND A JAPANESE EMPLOYMENT SYSTEM

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In the early 1970's, Japanese investments abroad had increased dramatically from .95 billion dollars in 1965 to 6.8 billion in 1972 (Department of State, 1973). This increase included an expansion of Japanese equity in manufacturing or processing facilities in more developed countries like the United States of America. Japanese motivations for such investment activities were similar to those found in other countries.

> With regard to investment in manufacturing or processing, Japanese investors are influenced by much the same factors as their American and European counterparts: market considerations, protectionist pressures, and need for local raw materials and components. Some Japanese investors are attracted to the United States by the ample plant sites available there at much cheaper cost than in land-scarce Japan. Also, a number of Japanese firms have established themselves on a small scale in the United States mainly to obtain first hand experience in American marketing and distribution methods (Japan-United States Trade Council, 1973:3).

At that time, direct investment manufacturing ventures in the U.S.A. included Mitsubishi Aircraft International, Inc. of San Angelo, Texas which manufactures turbo-prop business aircraft; Kawasaki motorcycles of Omaha, Nebraska; Sony Electronics of San Diego, California which manufactures television and stereo sets; Matsushita Electric which manufactures television sets in Puerto Rico; C. Itoh which contributed a knit textile plant in San Bernardino County, California; Yoshida Kogyo K.K. which invested in four slide fastener manufacturing plants in Los Angeles, New York, St. Louis, and Atlanta; and Kikkoman Foods, Inc. which brews shoyu (soy sauce) and teriyaki sauce for the North American market at their facility located in rural southeastern Wisconsin. One source reported fifty-five separate Japanese manufacturing or processing ventures in the United States as of mid-1973 (Japan-United States Trade Council, 1973). Presumably, these firms manifest organizational features which reflect their ties to Japanese parent companies.

Japanese industry is characterized by a distinctive organizational system. The nature of this system is sufficiently well documented in the western social science literature to allow comparative analysis. The authors' understanding of this system is based largely on four major works in the field. These include Management and Worker, the Japanese Solution by James C. Abegglen (1973); Japanese Blue Collar, the Changing Tradition by Robert E. Cole (1971); British Factory-Japanese Factory, the Origins of National Diversity in Industrial Relations by Ronald Dore (1973) and The Other Worker, A Comparative Study of Industrial Relations in the United States and Japan by Arthur M. Whitehill, Jr. and Shin-ichi Takezawa (1968). Using a wide range of methodologies these studies illustrate the salient features of the Japanese employment system as manifested n large scale, modern sector industries. The system as depicted in these studies is changing, dynamic and complex. It maintains an evolutionary path adapted to the Japanese sociocultural setting, while in certain sectors converging with western organizational styles. This parallels the general patterns of cultural change in Japan. The Japanese social scientist Nakane Chie suggests that in spite of substantial westernization the essential Japanese core is maintained in a wide range of cultural sectors.

> In the course of modernization Japan imported many western cultural elements, but these were and are always partial and segmentary and are never in the form of an operating system. It is like a language with its basic indigenous structure or grammar which has accumulated a heavy overlay of borrowed vocabulary; while the outlook of Japanese society has suffered drastic changes over the past hundred years, the basic social grammar has hardly been affected (Nakane, 1970:149).

The concern of this study is also continuity and change. We have chosen to examine the employment system applied in one of the many Japanese industrial ventures in the United States, Kikkoman Foods, Inc. of Walworth, Wisconsin a wholly owned subsidiary of Kikkoman Shoyu Co., Ltd. of Noda, Chiba Prefecture, Japan. We will focus our analysis on the employment system which operates in the Walworth plant. By employment system, we mean the system by which personnel are recruited, rewarded and organized to achieve the goals of the firm.

The data upon which this analysis is based are derived from structured and unstructured interviews with both Japanese and American participants, some participant-observation, and analysis of documentary sources such as employment policy manuals and newspaper accounts. The interview activities were carried out with the approval and assistance of management. This article will consist of four components: the nature of the Japanese employment system; historical background of the Walworth plant; analysis of the Kikkoman-Walworth employment system; and the summary and conclusions.

THE NATURE OF THE JAPANESE EMPLOYMENT SYSTEM

In Management and Worker, James C. Abegglen identifies the main features of the Japanese employment system:

> "1. Recruitment of the employee is directly from school. Entrance to the work force is from the bottom of the age-ranking, and not from open labor market.
>
> 2. Recruitment is in terms of personal qualifications, and into the work group. Employees are not hired for specific jobs, nor do they apply for specific jobs. Rather they are hired because of an expectation that additional employees will be required, and on the assumption that skills not provided by general educational background will be provided through company training. Qualifications then are intelligence, character and general acceptability as determined by personal history, academic record and company tests and interviews.
>
> 3. Employment is for the entire career of the individual. Both employer and employee assume that the employment relationship is permanent, that the company will not discharge or lay off the employee and that the employee will not change to another employer during his career" (1973:24).

In virtually all discussions of the Japanese employment system, lifetime employment is characterized as the most salient feature. Abegglen refers to it as the "critical difference" (1973:62). Essentially it means that after a substantial probationary period a Japanese employee can expect to work for a single firm until retirement, without being laid-off because of business slumps or displaced because of technological change. Further, the frequency of disciplinary terminations is lower in the Japanese setting. The practice is interpreted as a mutual obligation. As the firm is reluctant to fire or lay-off workers so too is the worker reluctant to quit or to change jobs. Life- time employment (shusin koyo) is tied to a whole complex of behaviors and practices associated with the reward and promotion system:

> "4. Compensation depends basically and largely on length of service. Initial compensation is a function of the level of education completed; subsequent increases in compensation are a function of length of service, which in this system of course correlates directly with age" (1973:24).

The initial wage offered is determined by market factors. The wages paid are often based on rather complex formulas which incorporate a significantly larger number of inputs than is typical in the United States. In an analysis of the Takei Diecast Company of Tokyo during 1965, Robert Cole indicates six components of the wage structure. Of these components the so-called basic wage was the most important component. Cole points out that in the Japanese manufacturing sector, "the basic wage averages 86.3 percent of the monthly contract wages (excluding overtime, shift differentials, and holiday work)" (1971:75). Usually the basic wage is increased on an annual basis. The basic wage is supplemented by a payment for daily attendance, a payment for the worker's contribution to health insurance and old age pension, a payment for supervisory activities, and an allowance for dependents. In addition these wage payments were supplemented by overtime payments. Overall pay rates are closely related to length of service as well as efficiency ratings.

The last major feature of the Japanese employment system as characterized by Abegglen is concerned with trade unionism:

> "5. The trade union bargaining unit includes all company employees, with few, if any jurisdictional issues. The union contract is generally limited to recognition and to compensation of members, and bargaining is predictably seasonal" (1973:24).

Japanese unionism shows a very strong commitment to the "enterprise" unit rather than the craft or industry defined unions characteristic of the United States.

In addition to the major features delineated by Abegglen there are a number of "associated aspects that are important and unusual but not critical to the system" (1971:25). These include the rise of semi-annual bonuses described by Abegglen as "loosely a function of company profitability" (1971:25). The bonus is substantial, often equivalent to one month's wages. Bonus payments are usually made in mid-summer and at the end of the year (Abegglen, 1971:107).

> The bonus is at present very much a part of the regular wage system. Employees expect a bonus and organize their living standard around the payment of a bonus. Thus expenditures for special purchases, such as radios or washing machines, are delayed until bonus time (Abegglen, 1973:107).

Japanese workers receive much of their total reward for employment in the form of a wide range of indirect benefits. In some plants these indirect benefits may be equivalent to 20 percent of total payroll. These benefits might include subsidized cafeteria meals, dormitory use, resort facilities, discount-price stores, recreational clubs, marriage bonuses,company houses and medical treatment facilities.

The current pattern of Japanese industrial relations is, in spite of substantial change, quite familistic. Familism is reflected in the life-time-employment concept which assumes a status rather than a contract relationship between worker and management. The reward system which stresses indirect payments and family and age allowances is consistent with the dependent familistic system. This is coupled with a much higher involvement of the supervisor in the worker's private lives.

Various social scientists have argued that the Japanese style of industrial organization is consistent with the overall patterns of Japanese culture. In spite of the tautological nature of such interpretations it nevertheless remains an interesting and useful analytical point. The position is well represented by Nakane Chie:

> Another group characteristic portrayed in the Japanese household can be seen when a business enterprise is viewed as a social group. In this instance a closed social group has been organized on the basis of the "life-time employment system" and the work made central to the employees' lives. The new employee is in just about the same position and is, in fact, received by the company in much the same spirit as if he were a newly born family member, a newly adopted son-in-law or a bride come into the husband's household... (1970:14).

Nakane goes on to indicate the fundamentally non-contractual basis of Japanese industrial organization:

> The relationship between employer and employee is not to be explained in contractual terms. The attitude of the employer is expressed by the spirit of the common saying `the enterprise is the people'. This affirms the belief that employer and employee are bound as one by fate in conditions which produce a tie between man and man often as firm and close as that between husband and wife. Such a relationship is manifestly not a purely contractual one between employer and employee; the employee is already a member of his own family, and all members of his family are naturally included in the larger company family' (1970:15).

The family analogy is suggestive of the nature of the Japanese system. It is an analogy widely used in western social science to characterize Japanese industrial relations. It is an analogy accepted and even promoted by Japanese management (Cole, 1971:12). Cole suggested that this analogy diverts the observer from the actual relationships within the Japanese firm (1971:12). He suggests the Japanese firm be thought of as a "semi-closed corporate group" (1971:13). This analogy stresses vertical integration, corporate boundaries, and group membership rather than the effective relationships associated with familistic interpretation of Japanese industrial organization.

Japanese employment practices should be viewed as a system. Various conflicting explanations have been offered for its origins and development. It is beyond the scope of this paper to engage in the sometimes contentious debate concerning the system's reason for being. It is sufficient to note that both culturalogical and economic explanations are useful in understanding the origins of the system.

HISTORICAL BACKGROUND OF KIKKOMAN FOODS, INC.

Kikkoman Shoyu Co., Ltd., the parent company, is the largest shoyu producing firm in Japan in terms of market share (Industrial Japan, 1971:249). Kikkoman Shoyu is diversified into other food related domestic subsidiaries such as packing and marketing canned fruit and vegetable products under the Del Monte Brand, bottling Coca Cola and Fanta beverages in the Tokyo suburban area, and producing and marketing grape and plum wines. Kikkoman Shoyu Co., Ltd. has sales of $218,000,000 (of a product line consisting of shoyu, teriyaki sauce, worchestershire, tonkatsu sauce and soup base (Kikkoman, 1972:8). The firm was founded in 1630 in Noda, located 30 miles northeast of Tokyo. The present company was consolidated through merger and incorporated in 1917. The merger brought together eight smaller breweries owned by the Mogi and Takanashi families. Ownership and management is still largely in the hands of representatives of the original families, although the stock is listed on the Tokyo Exchange.

Kikkoman participation in the American market began in the 1860's with shipment of shoyu to Hawaii (Mogi Y., 1973:3). Exports reached a high point in 1939 at which point sales in the United States accounted for fifty percent of total exports (Mogi Y., 1973:3). World War II caused cessation of activity in the American market. The war brought other changes to Kikkoman's prospects for participation in the American market. To quote Mogi Yuzaburo,

> There are several reasons why we changed our marketing process to focus on the American consumer. First, after the war many American military men came to Japan and were stationed there. They tasted soy sauce and liked it. They used it for Japanese dishes but also for American foods, such as steaks, hamburgers, and so on. By looking at this fact we began to think that there must be a rising importation market for soy sauce in the United States. So in effect, we can say that in Japan we were able to carry out test marketing for selling soy sauce to the American market (Mogi Y. 1973:5).

At the same time that certain American consumers had greater predisposition to using shoyu, the Japanese-American consumer who had been the focus of Kikkoman marketing efforts was slowly turning away from traditional Japanese products.

Kikkoman used a number of strategies to increase the rate of diffusion of shoyu use in America. These included the use of small bottles (5 oz. and 10 oz.) as opposed to the more traditional large bottles, casks and cans; the development of recipes using shoyu and teriyaki which were more appropriate to the American palate; continuous national advertising using various media; extensive point-of-purchase demonstration; publishing of cook books with shoyu-based "American-style" recipes (Otsuka, 1973); and cooperation with American food brokerage houses.

As consumption of Kikkoman shoyu increased in the United States, the feasibility of constructing a manufacturing facility also increased. In late 1970 Kikkoman Shoyu Company began investigating this possibility. A decision to build a United States plant was reached based on the following considerations. First, Kikkoman Shoyu sales had reached the point where the production of an economically scaled plant could be absorbed by the U.S. domestic market. Prior to construction, sales had increased an average 28 percent annually (Dowd, 1973:1E). Second, there were increases in shipping costs between Japan and the United States. As a company official has stated, "we have been buying most of our main raw materials from the United States; mainly soybeans and wheat from the midwest. This being the situation, it seems rather ridiculous to us to pay inbound ocean freight to import raw materials from the United States, and then turn around and pay outbound ocean freight to ship the product back to the United States" (Mogi Y., 1973). A third reason was the steadily declining difference in Japanese and American labor costs. A forth reason was the reevaluation of the Yen which decreased the price competitiveness of imported Japanese products in the United States.

The decision to locate the plant in the midwest was based on three factors. First, the midwest is located between the established west coast market and the high potential east coast market. Second, the midwest site is close to soybean and wheat production areas. Third, the midwest is close to many potential industrial consumers. During 1971, six potential midwestern sites were identified and finally the Walworth, Wisconsin site was selected. A Kikkoman official stated a number of reasons for selecting the Walworth site:

> A) The labor climate is excellent. We can expect to have friendly and skillful workers there in sufficient numbers. B) The local people are quite friendly. They are willing to accept foreigners and on the other hand, they are people whom we are able to accept easily. C) Walworth is a convenient place for transportation. D) The state of Wisconsin was receptive to Kikkoman from the beginning. I first visited this state in December, 1970, as a member of the first investigation team. From this state, Wisconsin showed us sincerity and was quite cooperative with us. E) The state of Wisconsin is regarded as a state which produces the best quality foods. This is one of the most plus factors for keeping the company image high. We believe

> that our soy sauce and teriyaki sauce are the best in comparison with competitive brands. So we have qualified to become a member of the food industry in this state. F) In Wisconsin we can enjoy beautiful nature. The air is clean, the water is pure, and we have a lot of green here. Brewed soy sauce is a product made by cooperation between nature and people. It's very important for us to have good surroundings in order to produce high quality brewed soy sauce (Mogi Y., 1973).

Interviews with Japanese staff indicated a positive evaluation of Walworth as a place for the Kikkoman plan and as a place to live. This positive evaluation was extended to the people of the community who were variously described as shinsetsu ("friendly") and junboku ("simple and honest"). There seems to be an overall satisfaction with the move to Walworth.

THE KIKKOMAN-WALWORTH EMPLOYMENT SYSTEM

The Kikkoman-Walworth employment system as it is manifested in formal policy statements of the firm was developed locally for this specific plant. It was developed by a planning group which consisted of both American and Japanese Kikkoman personnel, as well as an American business consultant familiar with the Japanese employment system. The employment policy statement was the product of lengthy planning sessions often lasting from 8:00 A.M. to 2:00 A.M. The feeling of participation was intense, resulting in increased levels of understanding and communication between the Japanese and Americans. The end product was described by one American participant as a composite of Japanese corporate "philosophy" and certain number of features which were accommodations to the American context.

The process by which the formal policies were initially developed was characterized by consensus decision-making, i.e. decisions reached by group discussion rather than executive authority. According to Richard T. Johnson, consensus decision-making is one of the features of the Japanese management style consistently imported into the United States (1974:6).

The analysis of the Kikkoman-Walworth system will be based on data derived from company documents and key-informant interviews, both structured and unstructured. We will consider the following topics: plant organization, recruitment, training, worker evaluation and promotion, worker benefits, Japanese perceptions of the American workers, and the Kikkoman ethos.

THE ORGANIZATION OF THE WALWORTH PLANT

Although there are a number of soy sauce manufacturers in the United States (e.g. Chung King, La Choy and Great Chinese-American Food Company) none of these manufacturers produce "naturally brewed" soy sauce. They produce a similar product normally glossed by Kikkoman executives as "synthetic soy sauce". The natural-synthetic contrast is a significant component of the Kikkoman ethos. Superiority of natural shoyu is expressed in various ways. Certainly it is a key component of the Kikkoman marketing strategy. In addition the "natural" process used by Kikkoman makes the transference of technical knowledge somewhat more complex as will be discussed below.

Shoyu is produced by a range of domesticated micro-organisms acting upon a prepared mixture of wheat and soybeans. The mixture of cracked wheat and soya grits are innoculated with a prepared dose of micro-organisms. This innoculate is termed tane koji. The innoculated and cultured mixture of soya grits and wheat (koji) is mixed with salt water. The resulting mash (moromi) is aerobically fermented in large tanks and periodically air mixed. After approximately six months the finished shoyu is extracted from the mash. The shoyu is then filtered, pasteurized and bottled or converted to teriyaki by adding wine, sugar and spices.

The organization of the Walworth plant is an expression of the traditionally conceived steps in the shoyu manufacturing process, although it is more highly automated. The Walworth plant is perceived by all Japanese middle management and technical staff interviewed to be identical to the Noda, Japan plant in terms of its basic subdivisions. There are differences in scale which influence Japanese perceptions of the work situation. The Walworth plant has approximately 65 on-site employees whereas the Noda production facility has over 4000 employees.

The production process is subdivided into a number of areas each of which is a distinct component. These "areas" are: A) laboratory or quality control (produces "seed mold culture" and ascertains quality of production); B) cereal preparation or puffing (steams cereals to increase processibility and innoculates raw materials with "seed mold" culture); C) koji area (first stage of growth of micro-organisms in the innoculated moist mash); D) moromi area (addition of salt water, fermentation supervision); E) pressing (removal of shoyu from mash); F) pasteurizing area; G) bottling area; H) warehouse; I) maintenance and engineering (machine repair).

Functionally related clusters of these sub-units are supervised by Japanese middle managers. These include the Quality Control Manager (laboratory,moromi, pressing, and pasteurization); Production Manager (cereal preparation, koji, and pressing); Engineering Manager (maintenance); and Products Manager (bottling and warehouse). The managers are responsible for keeping work schedules, planning training and production activities, and manpower allocation. The four managers interviewed can be characterized the following ways: they have worked for Kikkoman Shoyu, Ltd. for an average of 10.7 years (range 10-12); they are married with one or two children; they have four year university degrees (three in agricultural chemistry and one in engineering); and they have never worked for another firm.

Associated with each area is a Technical Instructor. The Technical Instructors are Japanese personnel who "assist the managers of each plant department in the capacity of first line supervisors with particular emphasis on training new employees in the technologies and skills required to properly control the process of each section" (Kikkoman, N.D.:39). The eight Technical Instructors interviewed can be characterized in the following ways: they have worked for Kikkoman Shoyu, Ltd. for an average of 13.2 years (range 10-16); they are married with one or two children; they have high school diplomas;

and, they, like the managers, have only worked for one firm.

RECRUITMENT

According to one Kikkoman official, there is sufficient available labor in the vicinity of the plant to allow the personnel manager to be somewhat "fussy." The selectivity of the recruitment process was supported by the rather gradual expansion of the American work force. By August, 1975 the firm had 65 production workers. This number shows an increase of 60 over the original five American production workers hired in February of 1973. At times selectivity was relaxed to meet the expanded personnel requirements of the bottling areas.

Initially the production activities were totally in the hands of Japanese workers brought from the Noda City Plant. In a sense all American production workers were hired as replacements for Japanese Kikkoman production employees who have been largely sent back to Japan.

Because of the slow expansion of the American work force the personnel manager was able to use "lots of pre-screening tests, interviews and knowledge of the community" (field notes). The workers were hired from the general labor market; there was no specific recruitment of workers who were entering the labor market for the first time. The mean age upon application of the 1975 Kikkoman work force was 32.9 years (S.D. 11.84). Over 49 percent of the workers hired were more than 30 years old. Some of these had been self-employed farmers whereas others had previous work experiences in various occupational areas.

Workers were consciously selected for capacity for growth. As the personnel manager stated, "You hire them as potential supervisors. You have to be concerned with potential." Each worker is regarded as a probationary employee for forty-five days. As the Kikkoman Standard Policy Manual states, "Within this period, the company reserves the right to discharge any employee who, in the company's judgment, has not evidenced the capability, attitude or potential for growth and promotion that the company desires" (N.D.:45). The workers are not hired for specific jobs. The policy manual states, "Most employees willhave a primary assignment to one section of the plant; however, every plant employee will be afforded training and is expected to learn additional plant operations and to be willing and able to work in other sections according to assignment" (N.D.:45). The hiring commitment is to entire individuals rather than individuals in specific jobs. Workers can be reassigned to meet both long term and short term needs.

Once the forty-five day probationary period is finished the employment of the individual becomes permanent. The permanent employee becomes insulated through company policy from job loss due to lay-off.

Lay-offs as such are not provided for in company policy. There is an allowance for what are called "adverse business condition adjustments." The following statement appears in the Employee Handbook:

> Any business may encounter unforeseen circumstances which require adjustments in work loads, hours and the number of personnel. However, since this is a continuous process plant that works most efficiently at full capacity, we do not anticipate such adjustments. If temporary conditions force us to restrict production and reduce costs, since we figure we're all sort of in this together, the following procedure shall be taken: 1) First, probationary employees will be furloughed. 2) Wage payments and hours of work for executives, managers and workers will be reduced alike by the same percentage until a satisfactory cost level is reached. 3) If other reductions are necessary, the company will make them consistent with maintaining plant functions (Kikkoman, N.D.).

Kikkoman is committed to labor force stability. They have an incipient policy of life-time-employment. This is not stated as such in personnel policy statements. The personnel manager reports that he has used that feature as a means to attract good workers. In discussing the policy with one Japanese manager, he suggested that life time employment could not be expected of American workers. He added that, "If we keep a good atmosphere and pay reasonable wages, we can expect that they will stay here a long time" (field notes).

The acquisition of a stable work force is an important company goal. This has necessitated a significant investment of staff effort in training.

THE KIKKOMAN TRAINING STRATEGY

The transfer of knowledge cross-culturally is an important activity in the Kikkoman Foods context. Knowledge is transferred in two realms. The primary realm of knowledge transference is technological. In addition there are conscious although less systematic attempts to transfer knowledge of the Kikkoman ethos (i.e. company goals, the company's sense of relationship with employees and community). The effective transference of technical knowledge is crucial to the success of Kikkoman, because large portions of the technology are "exotic" in the United States. As noted above, there are other soy sauce manufacturers in the United States but these represent alternate technologies.

A primary effect of the exotic nature of large portions of the technology is an absolute absence of personnel with previous, specifically appropriate training or experience. As noted in the Kikkoman Foods Employee Handbook:

> Since this is the first plant of its kind in the United States there is no such thing as "experienced help." We must therefore all learn together. This will take concentration and hard work. It will also present you with many opportunities for future advancement in wages and position (Kikkoman, N.D.).

The most important component of Kikkoman's training program are the Technical Instructors. The activities of the Technical Instructor are supplemented by the use of technical manuals. In addition the managers engage in instructional activities periodically. The new American

Workers were introduced to the Technical Instructor through the Employee Handbook:

> There will be an experienced man from the parent company working with you who is classified as a Technical Instructor. You will get to know him as a real friend. His purpose is to help you learn about the process and the equipment as quickly as possible. This "on-the-job" training will be supplemented by manuals and by classroom type training as required to help you learn. When in doubt "ASK" -- there will always be someone available to answer your questions (Kikkoman, N.D.).

In terms of the labor-management contrast the Technical Instructors status is ambiguous. It is a status unique to the Walworth Plant in the Kikkoman organization. As one Technical Instructor noted, "in Japan the Technical Instructors were just workers. Here they cooperate with the managers" (field notes). In interviews there was a tendency for the Technical Instructors to profess ignorance of various aspects of management.

The instructional activities reported in interviews included a number of different types:

1. Demonstration: Technical Instructors didn't rely totally on verbal instruction. There was extensive use of demonstration. As one Technical Instructor noted, "At first, I did everything, he just looked at my job (for) one week." Or: "When I have trouble, I show with my hands" (field notes).

2. Individual verbal instruction: Although the Technical Instructors were given training in English prior to coming to Walworth, quality of English expression remained low. Further, there was no attempt to use Japanese technical terms other than such terms of koji and moromi. As one Technical Instructor put it, "I think it's no good to use Japanese technical terms, because I have about 20 people (working in my areas).

> They teach another new man, (therefore), they don't use Japanese" (field notes).

One of the managers was particularly aware of the difficulties in communication based on inadequate sharing of concepts. He suggested that sharing of lexical items sometimes created an illusion of understanding. He noted that when he had "pictures in (his) mind, the other person might not have the same picture" (field notes). This caused various difficulties.

> First half year in my department when we do some job. Even we use the same words and the same way to fix (something). I describe in English. I know the word. But first half year we really (had a) hard time. When I describe in English the picture is different. When I think he is thinking in a different way I use a sketch of what I am thinking. And also I ask him to draw it (field notes).

3. Class Sessions: A certain amount of instruction is carried out during after-work training sessions. The frequency of sessions is variable. The Maintenance (Engineering) Department carries out such activities virtually every week. These are after-work for overtime pay. The content is planned by the responsible manager. The sessions focus on technical skills, i.e. machine operation, machine repairs, and machine maintenance.

4. Morning Work Planning Sessions: As is characteristic of Japanese industry the work day starts with a brief planning session attended by all workers. These sessions last from five to ten minutes. During these sessions, work assignments are made. Announcements concerning forthcoming events are made. There is a consistent effort to point out unsafe areas or unsafe procedures. One manager indicated that periodically he would "give a complaint" or correct a worker. There were no problems or conflicts caused by this. In contrast to patterns reported in Japanese industry or other Japanese

industrial firms in the United States there is little solicitation of opinion from workers concerning work procedures and conditions. Although this is not now done it seems that the practice is emerging. To quote a managers:

> I think now it's not time to listen to the American people's ideas. But I think half a year later I should ask them about their new ideas... We need to have (a) meeting and listen to the workers' opinions and ideas. We make (shoyu) together. This is one of the most important management systems (field notes).

5. Technical Manuals: Technical manuals were developed by the Technical Instructors and Managers while in Japan with the assistance of English language consultants. These were used as an adjunct to other training activities.

Both Managers and Technical Instructors reported that certain American workers seemed to fit the work situation best. There was a preference stated by some Managers and Technical Instructors for ex-farmers as opposed to ex-factory workers. This was particularly important in the cereal preparation-koji culture-moromi segment of the process. The stated preference for farmers did not result in an attempt to specifically recruit farmers, although five of the first six workers were ex-farmers.

The preferred characteristics of farmers elicited in the interview process included the following: The Technical Instructor in the koji area indicated that it was easier to transfer the concept "clean" to the farmers. Farmers could apply concepts learned through handling dairy products to koji making. A major concern in koji is proper growth of the right micro-organisms and absence of micro-organic contaminates. This requires very elaborate cleaning procedures. As one Technical Instructor put it, "Xlean, clean, again clean" (field notes). The farmers understood the reasons for care in cleaning. Related to this the farmers could understand the implications of the Wisconsin Department of Agriculture (WDA) and the Food and Drug Administration (FDA) regulations.

The farmers were also preferred because they had weakly conceived occupational role boundaries and a wide range of experiences in using tools. The farmers were generalists. It should be pointed out that flexibility in role performance is important in industrial systems characterized by lifetime employment. Lifetime employment is of course a characterizing feature of Japanese industry. It is as mentioned above an administrative policy of Kikkoman Foods, Inc. In this setting it is easier to keep a flexible work force on the job than an inflexible one. In addition the farmers were thought to have few pre-conceptions of factory organization, therefore they could more easily accept the Kikkoman way of doing things.

While it was not possible to empirically evaluate the program of training developed by Kikkoman, the statements of evaluation provided by informants suggest successful acquisition of technical knowledge by the American staff. The rate of transference has been greatest in areas of the plant which do not make use of "exotic" technology. Transference of knowledge and subsequent Americanization has occurred most completely in warehousing where there are no Japanese employees and bottling where there is an American foreman supervising twenty production workers and a single Japanese Technical Instructor. Transference is facilitated by using a number of media, but focuses on one-to-one interaction. The "Americanization of shoyu" has been substantial at the level of production work and first line supervision. One could expect that the Technical Instructor role will become increasingly redundant.

With knowledge transference there was subsequent increases in responsibility of the American employees. This was manifested in the promotion of American staff into supervisory positions more quickly than anticipated by Japanese management.

EVALUATION AND PROMOTION

Each worker is evaluated quarterly by the middle manager in charge of a specific area of the plant. The evaluation focuses on eight factors. These are "job knowledge", "adaptability", "initiative", "judgment", "quality and quantity of work", "dependability", "appearance", and "leadership". Each worker is evaluated on a one to nine scale. According to company policy all"promotions are made on the basis of competence and ability exhibited by the employee's job performance and not on any other consideration unrelated to his or her effectiveness as a Kikkoman employee" (Kikkoman N.D.:46). The company is also committed to promotion from within as a matter of policy. This pattern is consistently followed in practice. One of the problems found in the promotion process has been the emergence of more individuals qualified for promotion than there have been positions available. In some cases the decisions have been admittedly arbitrary. As one manager indicated, "One of the biggest headaches here, we have to choose two foremen from four working leaders. All good, almost same ability" (field notes).

The work standards are complex and implicit. Although production schedules are specified, the notion of a challenging production quota is not apparent. Production rate "standards" are a function of a team approach. One American manager felt that there would never be "quotas" established. He seemed to feel that the Japanese would start with motivation and let the goals take care of themselves. Certainly the notion of production at the cost of product quality would not be positively evaluated by the Japanese. The technical instructor in bottling emphasized product quality. He was especially concerned with appearance of the product in its final package. He felt that one imperfect bottle would damage the reputation of the product in the eyes of the customer.

The performance evaluation of a worker continues throughout his or her career. Upon this evaluation, promotions, raises and job assignments are based. As noted above the key decision concerning an employee occurs forty-five days following initial employment.

Following this decision the firm manifests a reluctance to terminate the employee for mere inefficiency although personnel policies allow for such a possibility. Normally if a worker does not perform to a suitable standard his immediate supervisors meet with him or her to give guidance. If the worker continues to perform inadequately he will be viewed as recalcitrant and be assigned undesirable tasks such as outside maintenance. In addition he will be given minimal raises.

In addition to the performance evaluation scheme the firm also has a set of rules and regulations which apply to each worker. These are provided to each worker in the Kikkoman worker handbook. These rules are indicated below:

"1) Bringing liquor or narcotics into the plant, or consuming liquor or using narcotics on company premises, or reporting for duty under the influence of liquor or narcotics.

2) Fighting or attempting to injure others.

3) Stealing from the company or from fellow employees.

4) Unauthorized possession of weapons.

5) Willful destruction or damage of company property.

6) Insubordination in carrying out reasonable requests and assignments of a superior.

7) Gambling and bookmaking on company premises.

8) Unexcused absence without notification to the supervisor; habitual unexcused tardiness.

9) Inefficiency, i.e. failing to do the amount and quality of work that was expected of the employee when he was hired.

10) Violation of safety and sanitation rules.

11) Dangerous horesplay and practical joking.

12) Smoking in prohibited areas.

13) Disregard of financial obligations in the community" (Kikkoman, N.D.).

The personnel policy of the company also defines a "disciplinary process" which is largely in the hands of the departmental managers.

BENEFITS: DIRECT AND INDIRECT

The workers are paid every two weeks. The average hourly wage was $3.55 per hour in early 1974. This compares to the average hourly wage of $3.87 per hour reported paid in the "food and kindred products" industry as reported for March, 1974 (Department of Labor, 1974:84). Although most areas operate on the basis of a single shift, the koji and moromi areas are in continuous operation requiring supervision on second and third shifts. The workers receive a $.06 and $.12 premium for these two shifts, which are staffed on a rotational basis. Workers are paid a premium of time and one half for all work in excess of eight hours a day or forty per week as well as a double time premium for work on Sunday and any authorized holidays. The company designated nine holidays for 1973. These were New Year's day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve and Christmas day. Each worker is authorized vacation time on the basis of one week after six months service, two weeks after two years service, three weeks after ten years service and four weeks after twenty years service. The firm also provides pay for time lost for both funeral leave and jury duty.

The firm provides various benefits, "which it considers essential to the health and well being of its employees and their families" (Kikkoman, N.D.:54). These include Life and Accidental Death and Dismemberment Insurance, Disability Income Insurance, Medical Care Insurance, Major Medical Benefits and Pension Benefits. In addition, "the company will furnish each of its employees with a family turkey at Thanksgiving." Further, "the company will sponsor an annual Christmas Party, including gifts for employees children" (Kikkoman, N.D.:55).

There are a number of other Employee Services enumerated in the company policy manual. These include, "clean lunchroom and cafeteria," "paved, well lighted parking lot," "sanitary restroom and shower facilities," "first aid station", "free medical examination," safety equipment," "sports activities," and "parties and picnics". In addition the company also sponsors the "Kikkoman Klub" which is for recreational purposes.

JAPANESE PERCEPTIONS OF THE AMERICAN WORKER AND WORK SITUATION

All Japanese middle managers (5), technical instructors (8) and managerial assistants were interviewed using a structured interview schedule. These interviews provided a number of statements evaluating both the work situation and the American workers. These were products of such open-ended questions as, "How do American workers differ from Japanese workers?" "What is the greatest strength of your American co-workers?" and "What is the greatest fault of your American co-workers?" For a number of reasons the response to these questions were quite variable in both explicitness and quality. This was especially caused by variation in English competence. Although not readily analyzable statistically, the interview data produced what seems to be a reliable depiction of the Japanese perceptions of the American workers and the work situation.

This component of the paper will include a collation of various statements evaluating the American worker and a summary of the perceptions of a single manager derived from his particular interview.

First, it is apparent that the Japanese in general positively evaluate the American workers and their own experience working in the United States. WHen asked to describe the Americans in general terms they very typically described them as shinsetsu which was usually translated by the Japanese as kindly or friendly. The

Japanese also described the Americans as "physically strong", "quick learners," and "hard workers."

Some Japanese felt that the Americans were especially skilled in dealing with machinery, and were "more careful with the machinery than Japanese."

Although they tended to de-emphasize the significance of these differences some Japanese technical instructors and managers suggested that the Americans had fundamentally different attitudes toward the firm. One manager suggested that they were more willing to question "the boss" than the Japanese. The relationships between boss and worker was depicted as being more instrumental than emotional. As one manager put it, "in Japan the relationship between the boss and worker (is) very close. And they drink with workers after job. If someone has a baby we give them some gifts. He went on to say that, "we make a strong group in Japan." It should be pointed out that 75 percent of the managers interviewed did "socialize" with American workers, engaging in such activities as drinking, sports and familial events such as weddings. Eighty percent of the technical instructors reported after hours social contact with American workers. These activities included sports, drinking and in one case some shared activities associated with raising bonsai trees. Many of these individuals suggested that they interacted less with Americans than they would with fellow workers in Japan.

Another manager manifested the perceived lack of American emotional attachment to the firm as follows, "Japanese employees love the Company, this is an important factor. Here it is not so important. Money is most important. It is very difficult to explain but the feeling is quite different."

One technical instructor suggested that the American management style was dorai ("dry"), that is to say characterized by a low level of emotional attachment between workers and firm. Dorai relationships are contrasted with those termed uetto ("wet"). Uetto firms are characterized by a high degree of emotion. Dore exemplifies the Dorai-Uetto contrast by noting that uetto firms typically invest effort in instilling, through "induction courses and periodic ritual observances... a complete conditioning of the (employee), that ever thereafter tears well automatically at the mere mention of some of the more illustrious moments in their firm's history" (Dore, 1973:53).

Some areas of the plant are faced with unique personnel management problems caused by the contrasts between the experiences of the managers with the Noda City plant and with the work force available in the United States. One such areas is the maintenance department. The maintenance department works to insure the adequate functioning of the plant's processing equipment, drawing upon the mechanical, electrical and plumbing skills of a staff consisting of five Americans workers, one Japanese technical instructor and the Japanese manager. Because of differences in scale between the Walworth and Noda City plants, general department functions are somewhat different. The Noda City department in addition to its maintenance functions also carries out the manufacture of certain pieces of equipment; this does not occur at the Walworth plant.

The contrast between Japanese and American employment systems is manifested in the contrasting experiences of the manager in both the Noda City and Walworth plants. Noda City maintenance workers were, according to the manager, trained more generally. They developed skills appropriate to the needs of shoyu equipment maintenance. In contrast, the manager reported that the Americans employed in maintenance at Kikkoman-Walworth were for the most part trained in specific trades, e.g. they were electricians, welders, etc. The Japanese system of recruitment and training produced generalists sufficiently skilled to be good "trouble-shooters" rather than tradesmen. The Noda City maintenance workers were reported to be recruited from inside the plant. The Americans were in contrast recruited from the general labor market with training in a specific trade. Because of the scale of the Walworth plant and the maintenance problems, the American "specialists" had to assume a more general occupational role.

The maintenance manager faced problems in shop layout and design caused by cultural differences in job skill performance. As the manager noted with a certain amount of amusement, "When we weld we usually put the material on the floor, and sit down and weld it. But (the Americans) weld on a table. So when I arranged the maintenance shop I arranged it in (the Japanese way). So finally I realized it so I rearranged everything. We have tables (in the Japanese style shop) but as far as welding we do it differently." The interviewer asked if the Americans were told to weld on the floor. The manager answered affirmatively. He said, "I think they thought they should follow my orders, so they tried to sit on the floor. And finally I realized why their (work) was very poor. So I changed everything." The manager realized this when he noticed that "Their style (of sitting) on the floor was very funny" and "They couldn't sit down for more than five minutes." The manager found, however, that even with limited linguistic sharing, they were able to communicate because of shared mechanical common sense.

We would like to conclude this discussion by considering one manager's characterization of the American workers and the Kikkoman work situation. This is derived from an interview and edited for clarity.

ONE MANAGERS'S VIEW OF THE AMERICAN WORKER AND JOB SITUATION

"There are some differences between American and Japanese workers. In Japan many workers are members of the communist or socialist parties. They tell the workers that if they work hard the profits go to the shareholders, not the workers. But in America they don't say such things. Sometimes we have much problem about this way of thinking in Japan.

"On the other hand the Japanese work very hard. They want to get promotion very much. Those who don't get promotions listen to the union way of thinking. If a person gets a chance to get promotion, I don't think they listen to the union way of thinking.

"In Japan, on the other hand, the relationship between the boss and worker is very close. They drink with each other after job, and if someone has a baby we give a gift. I don't drink with my American workers very often.

"In Japan we are a strong group. If a boss asks a worker to do a job, he has to do it. The Japanese maintain vertical relationships. A Japanese person's way of thinking is giri ninjo (a type of dyadic reciprocity). If some person gives a gift he has to return something. If a young person works more than I expected, I have to do something for him, get him promotion or increased money, something like that. If I cannot help him he is very annoyed. But in America they don't do much more than they have to do. Some workers in Japan would work all night. The reason he works so hard he thinks the boss will take care of him.

"Still, basically the Japanese and Americans are not so different. Worker performance depends on the work atmosphere. It's the most important factor.

"We need to have meetings and listen to the workers' opinion and ideas. We make shoyu together. This is a very important management technique. We haven't had enough time to do this because we are so much involved in training.

"At the beginning of this plant I told all the instructors (in my area) that we have to behave as gentlemen. This is one of the important things because if the American workers don't trust us this will cause a big problem. We must be strict but we must behave as gentlemen. This means we don't tell a lie. We can't say to the American workers, if you work hard we increase the pay. I don't like such things because we cannot promise such things. We work with American people, we have to tell the same things to both the Americans and Japanese. We have to be consistent.

"I as a manager can not promise such things as lifetime employment to American workers. In my opinion, if we keep good atmosphere and pay reasonable wages they will stay here. Yet I cannot expect every worker to work a long time. We have to keep good atmosphere and I always tell top people to pay a reasonable wage. This is all that can be done now. We will be able to train replacements.

"In the puffing area for example, this is one of the most difficult jobs, right now I have three operations. If one quits (his) job, then two persons will remain. Then these persons will train the replacements.

"I work with a lot of Americans. I try to communicate their needs to top management, especially money so I tell top management to pay reasonable wage.

"American workers work very hard because they expect more money. Their motivations seem simple. In Japan they work hard but not just for money. They work for the company and the relationship with each worker. Japanese worker thinks a lot about the relationship with each worker and the boss. In America they think of relationship between worker and boss, not each worker.

"Many American workers don't find new work when they finish their assigned jobs. In many area if someone works very hard they can finish before four o'clock even though the quiting time is 4:20. I ask the foreman if they have time to work, the foreman has to give some light and little job until 4:20. Because we have to maintain plant rules this is basic. We have to be punctual in working time; this is a basic rule. Japanese workers find work more easily, yet some of them don't work so hard. Maybe it's the same thing.

"American workers obey the job direction, Japanese sometimes don't obey the job directions because we keep a close relationship. After work the Japanese talk to the boss. The Americans work according to the manual. Americans are much more responsible about everything. This is a good point. These days some Japanese think more about their rights rather than their responsibilities. On the other hand Japanese are rather loyal to the boss. The boss can easily handle people if they are loyal, Japanese workers are loyal, more loyal than American workers.

"For example I ask an American to clean an area. And I say this is your responsibility. They can understand that. In Japan sometimes they complain about boss' advice. If I ask some Japanese workers to work all night, some will work all night because of loyalty to the boss. But American people don't do that.

"The best American worker for my area is flexible. They have to work with various machines. The best workers are farmers. They can make the best koji. If a worker comes from another factory, they learn everything, both good points and bad points. I worry about that. They might get bad points into the plant. Farmer doesn't know the American plant. I don't know American plant, so I can't do the same thing as American plant. So we can do what we think is right. They have learned skills in their farming experience. They have used many different kinds of tools very well. Farmers are flexible. They have to be clean. They have to clean their barns. They know about the Food and Drug Administration and Wisconsin Department of Agriculture regulations. So they can understand what I ask them to keep clean. Sometimes workers don't like to clean. I like farmers because they have to do everything by himself. This is a small plant so people have to do everything. But someone working in a large plant, they work in only one job. In this plant we have to do everything. Farmers know about this, they do the same thing in their home. All our people are good, really. I don't specifically request persons with farming backgrounds."

A NOTE ON THE KIKKOMAN ETHOS

Previously we suggested that the Americans participating in the Walworth operation would have opportunities to acquire knowledge in two realms, i.e. the realm of technology and the realm of company ethos. We might define company ethos as the integrated system of values characteristic of a firm, based in company policy, oriented by company goals, represented by company symbols and expressed in company behavior. A company's ethos will vary in terms of content, in that companies possess different policies, behaviors, goals and symbols. It may also vary in terms of its functional consistency, i.e., the degree to which its components are mutually appropriate. Further, the ethos of a company may vary as to its saliency, i.e., the degree that it impinges on the lives of its members.

The fundamental components of an ethos are values. These are expressed in the utterances and behavioral tendencies of a corporate system. We will consider here some of the orientations of Kikkoman Foods, Inc., as manifested in the documentary evidence. This discussion will focus on expressions of values made by Kikkoman top management as well as company documents.

1. The firm values affective internal relationships expressed metaphorically as familial.

The firm assumes that its members will relate to each other in ways other than the affectively neutral interaction patterns normally associated with western industrial organizations. The firm is overtly familistic. A summary of its personnel policy as it appears in the Employee Handbook states, "In one phrase, Kikkoman Foods, Inc. will prosper in a spirit of friendliness and cooperation as a "Kikkoman Family" (Kikkoman, N.D.). The metaphor of the firm as a fictive kin group is also apparent in a message to the employees from Mogi Saheiji, president of Kikkoman Foods, Inc.: "I am happy to welcome you as members of the Kikkoman Foods family, and I would like to ask you all join in a firm bond of family spirit. With hope and confidence in our hearts, let us move forward together toward ever greater progress for our company" (Kikkoman, N.D.). The familian notion is more pragmatically expressed in the personnel policies of the company, one of which states that "It is Kikkoman Foods, Inc. policy ...to provide adequate benefit programs to contribute to the security and happiness of the employee and his family " (Kikkoman, N.D.:N.P.)> Administratively the familial motif is manifested in the job responsibilities of the Personnel Manager who is charged with being acquainted personally with all workers and their family backgrounds.

2. The firm values its self-concept as a responsible member of society at large.

This was expressed by Mogi Keizaburo, president of Kikkoman Shoyu Company, Ltd. in a short speech during the grand opening ceremony on June 16, 1973:

> It is my desire from today to contribute to society to the best of our ability, as a good citizen of this community, of the state of Wisconsin, and of the American economy.
>
> For four centuries, under the slogan, "A better product, at lower price, is greater abundance," our company has tried its best to contribute to society through a more pleasurable and more abundant eating experience, and further, by always working in harmony with the local society for our mutual prosperity. This social consciousness, I believe, has been the source and the driving force of our development in Japan. As I remarked at the start-up ceremony last year, in America also I intend to put this policy into practice with all the strength at my command (Mogi K. 1973).

Similar ideas are expressed in the Employee Handbook:

> Our company spirit is expressed in the phrase "Sanyo Damashii" (represented calligraphically on the page opposite in a three character phrase)...This phrase means that we always endeavor to enrich the daily life of people everywhere by adding to the joys and benefits of good eating. In achieving our goal, we contribute to building a happier and more prosperous society, to ever-increasing company prosperity, and thereby to the individual well being of each member of our organization (Kikkoman, N.D.).

In another context, this idea is expressed in an international frame of reference:

> In the fields of politics and economics there have been in the past many barriers to human

> communication. In the world of flavor, however, we are demonstrating that there are no national boundaries. People all over the world, we believe, will appreciate a delicious thing entirely on its own merits. Therefore in the future we fully intend to continue putting forth our every effort to serve people everywhere, to help make eating a richer, more pleasurable experience for people all over the world (Mogi K., 1973:3).

3. The Firm values the concept "Natural Product"

As noted elsewhere in the text Kikkoman stresses the "natural" qualities of Kikkoman products in its marketing strategies. By way of an example, in an ad in the New York Times Magazine the product is described as "naturally brewed" and containing "no hydrolyzed protein, no corn syrup, no caramel, no artificial flavor or color of any kind. Just pure natural ingredients" (1973:65). This value was also stressed in the plant site selection decision.

The Kikkoman ethos is complex, stressing the internal integration of the firm as well as the quality of the relationships between the firm and the local community, the business community and the environment. In contrast, profitability, although mentioned as a corporate goal, is not stressed publicly, nor as far as the authors can tell, privately. In fact references in interview responses to such related concepts as increased productivity are all made by Americans. A simple "word-count" analysis of the Kikkoman Standard Policy Manual indicated the word "quality" appeared thirteen times whereas the word profit (in various forms) appeared only three times.

SUMMARY AND CONCLUSION

A full understanding of the Kikkoman employment system can only be derived through extensive comparison with the Kikkoman Noda City plant, general Japanese industrial practice, local industry in the Walworth area, and similar food processing industries in Japan and the United States. Short of a multi-dimensional comparison we can indicate some conclusions of a preliminary and general order which may contribute to our understanding of this particular case of cross-cultural industrial development.

1. The employment system in operation in the Walworth setting is a composite of both Japanese and American practices. The process of recombining was largely planned.

2. The Japanese features which were retained in the American setting are:

   A. The company manifests a commitment to long-term if not life-time-employment. Since Kikkoman hired its first American workers there have been no layoffs and few terminations.

   B. Indirect employee benefits are relatively high, although these benefits are consistent with American practice as to form.

   C. The company expresses concern with the personal lives of its employees.

   D. The company maintains a strong distinction between probationary and permanent employees as is consistent with life-time-employment practices.

   E. Occupational roles are defined in general terms, providing worker assignment flexibility as is consistent with life-time-employment.

   F. The company provides for internal promotion practices and training which is consistent with life-time-employment practice.

   G. The company attempts to maintain a somewhat uetto ("wet") administrative style as manifested in periodic company ceremonies and other motivational activities, and company iconography.

3. The American features which have been incorporated into management practice are:

A. Recruitment is from the general labor force rather than at career beginning.

B. Direct wage payments consist of a single component initially determined by the labor market and subsequently modified on the basis of periodic worker evaluation rather than a multi-component wage based on such elements as number of dependents. There are no bonuses as in the Japanese case.

C. Fringe-benefits are American in form although seemingly generous.

4. The evaluations of the American work force are positive, stressing the workers' capacity to learn quickly and work hard. This is manifested in promotion to positions of greater responsibility more quickly than anticipated by the Japanese.

5. The company manifests an ethos which stresses affective harmonious relationships within the firm and between the firm and the world-at-large rather than instrumental and exploitative relations between worker and management and the firm and the consumers of its product.

6. Further research activities are suggested by these preliminary results. These include:

A. On-going monitoring of company policy and practice vis-a-vis the employment system.

B. The systematic gathering of data which would allow productive controlled comparison with the parent company, similar American firms and other Japanese direct investment ventures in the United States.

C. A critical analysis of American participants' perceptions of the work situation.

The authors would like to thank Kikkoman management for their support and cooperation in this study. They have consistently dealt with the researchers in a harmonious and open manner. Special thanks are offered to Murai Toyogi, Kashima Harumi, Mogi Yuzaburo, William Hanchette and William Nelson.

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THE MULTINATIONAL CORPORATION AS A FORM OF SOCIOCULTURAL INTEGRATION ABOVE THE LEVEL OF THE STATE1

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INTRODUCTION

Twenty years ago, in the early 1960's, I began to argue that the international activities of large corporations provided the stimulus for the generation of a new system of sociocultural integration at a supranational level (Wolfe 1962, 1963). That idea did not catch on then, partly because anthropologists of that period were fascinated with kinship and the details of cognitive taxonomies, while those social scientists interested in economic development were fascinated with the stages of growth of national economies. Not until some years later did economists and management scholars discover what they have since popularized as "multinational" or "transnational" firms.

Now, twenty years later, there is considerably more interest, at least in studying international operations of business firms, if not precisely in seeing these activities as part of the evolution of social systems, and as the emergence of a new level of integration. Since then we have seen the whole Harvard University research program on multinationals led by Raymond Vernon (Vernon 1971; see Evans 1981). Since then we have seen the widespread acceptance of dependency theory (Frank 1967, Evans 1981) with implications for a supranational system. Since then we have seen a large research program on "World Systems" which has concentrated on describing the international development of the European capitalist system (Wallerstein 1974, Chirot and Hall 1982).

In anthropology as well as in those other fields we now find increased interest in matters of international scale. Eric Wolf's Peasant Wars of the Twentieth Century (1969) and Europe and the People Without History (1982), and Richard Adams' Energy and Structure (1975) certainly address them, as does Cyril Belshaw's The Sorcerer's Apprentice (1976). My article in Current Anthropology (1977) set forth in greater detail my own ideas based primarily on observing the African situation in worldwide perspective. The International Congress of Anthropological and Ethnological Sciences has devoted several symposia to such issues (Idris-Soven et al 1980). The American Anthropological Association devoted a plenary session of the 1979 meeting to"The Emergence of Global Society." The key symposium of the Southern Anthropological Association at their 1980 meeting, on "Cities in Hierarchical Perspective" tended to focus on international implications (Collins 1980). Two chapters in a recent issue of the Annual Review of Anthropology deal with these matters (Nash 1981; Holzberg and Giovannini 1981). Reed Riner (1980) presents a review of corporate interlocks as seen from a supranational perspective.

Reviewing these other studies, those by economists, social historians, sociologists, and business scholars, arouses uneasiness in me as an anthropologists. Each of them tends not to see the whole just right -- if they see the whole at all. For me, the increased activity above the level of nation-state is more than just a matter of increased scale or enhanced degree. It is nothing less than the evolution of a new system at a higher level of integration, something genuinely new. It provides us with an unprecedented opportunity to study the processes of evolution of a brand new system. That opportunity is comparable to our having been able to be participant observers when those first "pristine states" emerged as integrated systems out of the less-ordered if not chaotic breeding grounds that gave rise to them.

I feel uncomfortable at the treatment some of our colleagues give to what I see as momentous events portending an unprecedented shift. Whereas they tend to portray them as merely gradual changes, growth but basically business as usual, I see these current developments as the expression being at or near a pivotal point in an evolutionary trajectory.

To encourage a more future-oriented perspective I try to do four things in this paper:

1. review the notion of hierarchy in evolution because its misunderstanding produces misinterpretation of increases in scale;
2. consider some theoretical models for describing generative processes because without adequate models we cannot envision how new things can come into existence;
3. call attention to some implications of the electronics revolution because information processing is so crucial to the new system; and
4. illustrate how, in the light of these ideas, we might look at the problem empirically to assess the implications of this unprecedented evolutionary shift.

THEORY OF HIERARCHICALLY ORGANIZED SYSTEMS

For me, a most important concept to appreciate in connection with social and cultural evolution is the distinction of different levels of sociocultural integration. There are many ways in which such a distinction can be understood or misunderstood.

Hierarchy is one of those words in such common use that users seldom bother to define it. Yet, the concept is important when dealing formally with systems. In a recent attempt to develop a logical definition and an abstract mathematical model of system based on graph theoretic concepts, Harary and Battel (1981) find that hierarchical or nested structure is among the few necessary characteristics that must be taken into account in the model. Except that they associate it with "nested" and use it in figures showing clustering at different levels of units and subunits, they do not make any great effort to define the meaning of hierarchy as a characteristic of systems. In a book entitled Hierarchically Organized Systems in Theory and Practice, Paul A. Weiss (1971) defines system and unit and subunit in such ways that a system must have at least two levels (pp. 9-14). In that context, a unit is a composite fragment of the universe which in our experience has proved to retain sufficient identity over a given period of time to deserve a name -- a conservative array of measurable properties amidst the continuously and erratically changing 'background' phenomena that reveal no recognizable pattern" (p. 9). And a system, then, is "a complex unit in space and time so constituted that its component subunits, by systematic cooperation, preserve its integral configuration of structure and behavior and tend to restore it after non-destructive disturbances" (p. 14).

Because the term is so often used in reference to systems of authority, "hierarchy" is commonly associated with control by components at higher levels over components at lower levels in the system. If you look the word up in a dictionary, you are likely to find it defined in just that way, usually with a reference to the Catholic Church. This has, I think, been the source of much confusion, even among sophisticated scholars. Let me state categorically that a hierarchically arranged system need not be centrally controlled. To say that there is interdependence among the component units and subunits is not to say that some control and others are controlled only. To say that subsystems are continued within systems of wider scale at higher levels in the whole system, is not to say that the components are more controlled by the wider system than by those lower in the hierarchy. In fact, the reductionists' argument is that everything that happens at the higher levels is controlled by the properties of units at the lowest levels. Still, there is a lot of misunderstanding on these issues.

Magoroh Maruyama (1974) criticizes Western scientists in general for their "hierarchical thinking," saying it expresses a unidirectional causal bias inconsistent with the mutual causal paradigm that is a more realistic way to address the universe. In my view, hierarchical arrangement of subsystems is not inconsistent with a mutual causal paradigm. Hierarchical structure does not determine the direction of causation. There can be mutual influence between subsystems at different levels. Families, communities, nation-states, influence one another, but they operate primarily at different levels.

Another author who uses hierarchy as if it can only mean control by those at higher levels over those at lower levels is Hazel Henderson. Reviewing Boulding's (1978) Ecodynamics, Henderson (1981) says, "Boulding . . . still relies on hierarchical concepts.... There is the same implicit assumption in Boulding that organization is impossible without hierarchy, 'governor' and governed and levels and spans of control." I too am critical of Boulding, but on other grounds. He fails to deal adequately with the genuinely hierarchical structure of the sociocultural system. However, his error is less serious than the error in Henderson's belief that complex organization is possible without hierarchy.

The reason I am concerned to set straight the ideas about hierarchy is not primarily because of feelings about the direction of control. Rather, I am concerned because hierarchy has a bearing on the probability of evolution. Namely, the hierarchical arrangement of relatively stable subsystems makes it possible to understand better not only how complex systems work but how they could have been generated in the first place. Herbert Simon writes:

> One can show on quite simple and general grounds that the time required for a complex system, containing K elementary components, say, to evolve by processes of natural selection from those components is very much shorter if the system is itself comprised of one or more layers of stable component subsystems than if its elementary parts are its only stable components (1977:247-248).

Having mentioned Boulding, I should state that, in my own view, his interpretation of evolution in Ecodynamics (Boulding 1978) is faulty because he treats all sociocultural institutions as involving the same principles (in exchange, integrative, and threat systems). He locates all manner of institutions on one plane, differentiating them according to the degree to which they express those principles. Thus, families, clubs, corporations, labor unions, national states, and the United Nations are treated as if they were all the same kind of actor. Such a view masks the fact that some of these institutions are systems at different levels in a hierarchy of systems. What can effectively integrate nations into a United Nations must be quite different from what can effectively integrate persons in a family, because the relations among nations are of a different order than are those among persons. One gets the impression from Boulding that all sociocultural evolution is merely the gradual accretion of minor changes. This is an erroneous view that some anthropologists also make. Carneiro (1973), for example, says, "By and large, evolution occurs, not by saltation, but by cumulation. Small steps follow one another in close succession until a qualitatively new level is attained and one type of sociocultural system is transformed into another" (1973:97). Even though he uses the phrase "qualitatively new level," Carneiro does not seem to recognize the significance it has for the system.

I find such statements misleading in that they play down the very most important events in evolution, those where qualitatively new levels are attained. Such an event is much more than the simple transformation of one type of social system into another. It is the generation of a new form at a higher level of integration. That is not attained by the mere cumulation of changes. Such generative events seem to involve some sort of "saltation" or "discontinuity," and some new kinds of relationships among components.

In an article entitled "Darwinism and the Expansion of Evolutionary Theory", Stephen Jay Gould (1982) speaks of "hierarchical theory" as challenging reductionist claims. He argues that selection works simultaneously and differently upon individuals at a variety of levels, and that stability is fostered when there is negative interaction between levels while rapid change is fostered when there is positive interaction between levels. "If we abandoned the 'either-or' mentality that has characterized arguments about units of selection, we would...gain a deeper understanding of nature's complexity through the concept of hierarchy" (Gould 1982:386). If such understanding is important for biological evolution, it is even more important for sociocultural evolution. In biological evolution, strictly speaking, the only processes that can still occur are the transformations, physical and behavioral, of existing forms. In the latter case only is it still possible to generate a genuinely new supersystem, at a higher level of integration.

MODELS FOR DESCRIBING GENERATIVE PROCESSES

The complexity of the evolution of systems requires for its understanding formal models that can take into account (1) those hierarchical arrangements of components, (2) the relations among components at different levels, and (3) whatever it is that gives the appearance of discontinuity between levels. There are several theoretical approaches that hold promise of aiding in the effort to understand such evolution. It is worthwhile to review three of these approaches briefly here: (a) catastrophe theory; (b) theory of dissipative structures; and (c) network models from graph theory.

Any discussion of catastrophe theory must first apologize for the name that has unfortunately tended to adhere to the mathematical theory presented by Rene Thom (1974) as "structural stability and morphogenesis." It has nothing in common with that much older paleontological theory once intended to account for sharp changes in flora and fauna by reference to physical disasters. It does, however, intend to describe apparent discontinuities occurring in otherwise continuous phenomena, and is therefore of considerable interest to us in that it might help us to see how a "qualitatively distinctive" system might be generated out of the interactions of a number of components at a lower level.

There are as yet not many anthropological applications of catastrophe theory, but some are discussed in Renfrew and Cooke (1979). David S. Weaver (1980) uses Thom's "cusp" model to help resolve the differences between theories of gradual or "instantaneous" evolutionary change relating to Australopithecine divergence and Neandertal differentiation.

I hasten to repeat that transformations from one form to another at the same level are not the same as the generation of a new kind of unit at a higher level. The transformation of generalized Australopithecines into gracile omnivores on the one hand and robust herbivores on the other, is not nearly so complex as the generation of a new social system out of the interactions among component units. Still, if catastrophe theory provides models useful to the understanding of transformations of that kind, that appear to be discontinuous because they involve cumulative changes in a set of interacting variables such that relatively sudden transformations occur, it may well provide models for changes that result in recognition of a new system at a higher level.

Another formal approach to similar problems was stimulated by the work in the field of chemistry of Ilya Prigogine and his collaborators (Glansdorff and Prigogine 1971, Nicolis and Prigogine 1977). Their work is generally referred to under the rubrics "self-organizing systems" and "dissipative structures." As Erich Jantsch (1980) put it, in introducing a symposium on the subject at the 1980 meeting of the American Association for the Advancement of Science, "The emerging picture is that of a non-equilibrium universe which creates its own order and complexity". Peter M. Allen (1980), who works with Prigogene at the Free University of Brussels, but who has applied these models to market systems and transportation systems, sees this work as introducing a new paradigm of evolution providing a new basis of understanding essential for the modeling of complex systems. "This offers a new perspective in which the interdependencies of the different variables (at various levels) of the system give rise to its self-organization, where structure and organization can be created as well as destroyed as the system evolves. The evolution of such systems involves both determinism dictated by equations relating the chosen variables, and the chance or indeterminancy that accompanies moments of instability when structural changes can occur" (Allen and Sanglier 1981).

In an earlier version of their paper, Allen and Sanglier (n.d.:4) said:

> This view of self-organization takes into account the "collective" dimension of individual actions, and emphasizes the possibility that individuals acting according to their own particular criteria may find that the resulting collective vector may sweep them in an entirely unexpected direction, involving perhaps qualitative changes in the state of the system. We are far from the "invisible hand" of Adam Smith, and this results from the fact that for nonlinear systems the "whole" is not given trivially by the sum of the parts.

Another set of models which will prove useful in understanding the evolution of complex systems is provided by graph theory. Although it has so far been difficult to build dynamic models using graph theory, its potential for handling the hierarchical structuring of complex systems gives reason for great hope.

Harary and Batell (1981 have recently published an attempt to develop "a precise logical definition and an abstract mathematical model of system based on graph theoretic concepts" which they hoped would "provide a firm basis for realistic and verifiable predictions" (36). They define a "nested graph" in which the points of the graph at a given level are themselves graphs at lower levels, and they identify types of graphs at these different levels by a notation system paralleling Bertrand Russell's theory of types of sets. In application, this model will make it feasible to differentiate the levels at which data are dealt with, for, as they put it, "The conclusions drawn by considering the data as a whole can be in marked contrast to the results obtained by an examination of the data separately for some set of subgroups" (1981:36). Harary and Batell (1981:36-37) provide quite explicit steps to guide potential users of their approach to systems analysis. In summary:

1. determine the target set of the hypothesis;
2. determine the levels of the structure;
3. analyze the structure at the highest level;
4. analyze the structure at the next highest level;
5. examine the interconnection between the levels.

Here I should add that another pair of network scholars, anthropologist Brian Foster working with mathematician Stephen Seidman, has been using a similar approach, called "hypergraph theory" to study overlapping subsets as non-dyadic relations in complex systems (Seidman and Foster 1981).

Whatever specific set of concepts is used, I am sure that graph theory will soon permit the construction of network models that, used in conjunction with formal theories of generative processes such as the theory of self-organization, will help us understand not only how complex systems function but also how they are generated.

ELECTRONICS REVOLUTION

The dynamic instability that I believe characterizes the current national/international scene and out of which a new system is being generated at a supranational level of integration can easily be related to the technical developments that are widely referred to as the "electronics revolution". We are all experiencing this revolution, in our homes and families (through television, video games and solar appliances), at our work (through the growth of computer-generated report forms, work processing, incredible automation, and other uses of computers), in our national affairs (through such events as accurate prediction of elections before the polls are closed), in our international relations (through reliance on "mutually assured destruction" and the "strategic defense initiative" or "star wars" plan), and in our extra-terrestrial existence (fictionally through "E.T." at the movies, but also through genuine space exploits which have sustained human beings in space for remarkable long periods of time).

I certainly do not have to cite all the details, the speed of calculation of modern computers, the amount of human controlled electronic equipment in space, the numbers of people on this earth and just off it who can instantaneously and simultaneously receive messages or instructions, etc. But I do want to call attention to some implications of the electronics revolution for our subject, sociocultural integration above the level of the nation-state. I put these in two main categories: (a) implications relating to communication within and among organizations; and (b) implications relating to the study of such organizations.

First, the implications relating to communication among organizations. The massive data base management systems that major corporations now have at their disposal for studying markets, transportation problems, even political situations, and their increased capacity to communicate electronically with related corporations anywhere in the world, using satellite systems, gives them considerable advantage over other social units. Compare the capabilities of ITT or United Technologies with those of cities, or counties, or even medium-sized nation-states. Electronic communication, so comprehensive now, worldwide and beyond, reduces the importance of geographic distance, reduces the importance of locality and territoriality. This has practical significance for the companies and the states and the cities and the persons involved, and, as we will point out directly, must be recognized by social scientists who study them as well.

This brings us to the second set of implications of the electronic revolution, the implications relating to the study of organizations. If electronic data processing and telecommunications are important for the day to day operations of multinational firms and other actors in the supranational system, they are having or at least should have comparable effects on our ability to study the system. We, too, can use data base management systems; we, too, can use computers whose rapidity makes it possible for us to deal with complex multiple networks and solve the kinds of complex nonlinear problems involved in the analysis of self-organizing systems. In accounting for the rapid rise of "network thinking" in anthropology, I (1978) argued that the recent scholarly interest in network analysis is due in part to theoretical developments, but arose in large part because we are able to do the calculations now that we could not have done at all just a few year earlier. In the 1970's, such a serviceable computer as an IBM 370 could handle five million instructions per second, and we thought it was great; in the 1980's the CDC Cyberstar handles a hundred million instructions per second. Philip Abelson and Allen L. Hammond (1977) wrote in a special issue of Science, "The electronics revolution is making (an increasing reservoir of scientific and technical) knowledge more readily available, extending intellectual powers often by many orders of magnitude while facilitating greatly the accumulation of more knowledge" (p. 1085).

Here, I must call special attention to the situation I referred to earlier, regarding the lessening importance of distance in communication. Almost universally, sociologists and anthropologists have regarded distance as an indicator of communication potential and, in the absence of contradictory evidence, as evidence of communication. This continues in many network studies, where, for example, if two actors are within the same geographic area they are considered related. Clearly, to the extent that telecommunications change that situation, any analysis based on that assumption will be in error. For example, one might inquire whether, in studies such as that of Evans (1979) on "dependent development" in Brazil, the grouping of "local" capitalists together, differentiating them from international capitalists, is based on real evidence of their communication, or does it just assume that cocommunication is a function of geography?

URBAN INSTITUTIONS, MULTINATIONAL CORPORATIONS, AND NATION-STATES: NEW INTERRELATIONS AND NEW SYSTEMS

What evidence is there of a genuinely new system at a level of integration above the level of nation-state? I had enough evidence twenty years ago to report to the 1962 annual meeting of the American Anthropological Association the following:

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> The several hundred mining companies operating in southern Africa are integrated through a series of relationships that focus on some of the larger among them -- this system I have elsewhere called the Cape-to-Katanga team. Then, in a variety of ways, these corporations are linked with governments. Many of the connections are simply those of parent company to subsidiary, but the relationships most crucial to the whole system, providing its most important characteristic, are those based on overlapping membership in key groups (1962:2).

The data I had then, in 1962, led me to identify a pattern in the interlocking: "...roughly, the units which are most similar in function and therefore most prone to compete need the highest degree of interlocking. Those that are functionally disparate can rely more on the market principle in their relations, while the similar companies must create the conditions for cooperation on the basis of reciprocity" (1962:3). As an example of the latter I cited the case of Rhokana and Rhodesian Selection Trust, two companies alike in their emphasis on mining in the African Copperbelt, avoiding the temptation to compete by interlocking heavily through a third company, Mufulira Copper Mines. The sixteen-man board of Mufulira was nearly filled by nine directors from Rhodesian Selection Trust and six directors from Rhokana. As an illustration of the other kind of relationship, more "functional," I cited the position of Tanganyika Concessions, Ltd., which not only owned much of Union Miniere du Haut Katanga, which it shared with the Societe Generale de Beligique, but also owned the Benguela Railway in collaboration with the Portuguese government (Figure 1).

The general pattern was clear to me then, and still seems valid today: between firms that are functionally complementary there already exists something like organic solidarity; between those that do not need each other in a transactional way, a relationship of reciprocity is developed by the mechanism of interlocking directorates. Also, it was clear twenty years ago that the boundaries of this supranational system were not sharp. But, instead of concluding from that that there was no system at all, I

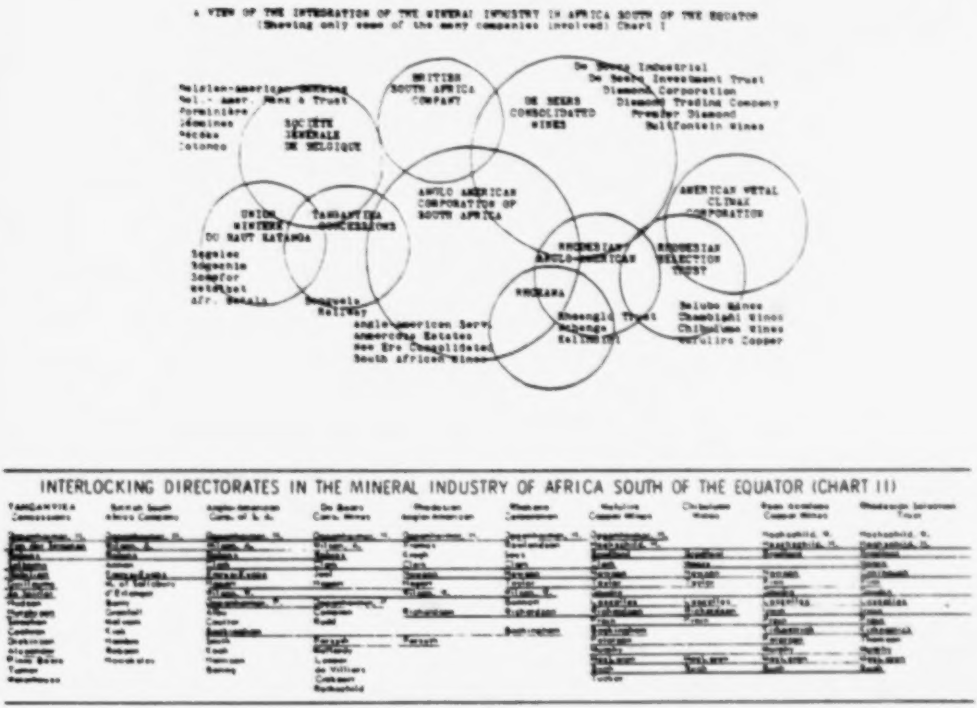
A VIEW OF THE INTEGRATION OF THE MINERAL INDUSTRY IN AFRICA SOUTH OF THE EQUATOR
(Showing only some of the many companies involved) Chart I
BRITISH SOUTH AFRICA COMPANY
DE BEERS CONSOLIDATED MINES
De Beers Industrial
De Beers Investment Trust
Diamond Corporation
Diamond Trading Company
Premier Diamond
Bultfontein Mines
Belgian-American
Bel.- Amer. Bank & Trust
Forminière
Géomines
Cotonco
SOCIÉTÉ GÉNÉRALE DE BELGIQUE
UNION MINIÈRE DU HAUT KATANGA
TANGANYIKA CONCESSIONS
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA
AMERICAN METAL CLIMAX CORPORATION
RHODESIAN ANGLO-AMERICAN
RHODESIAN SELECTION TRUST
RHOKANA
Benguela Railway
Anglo-American Serv.
New Era Consolidated
South African Mines
Nchanga
Chibuluma Mines
Copper
INTERLOCKING DIRECTORATES IN THE MINERAL INDUSTRY OF AFRICA SOUTH OF THE EQUATOR (CHART II)

Figure 1. Perspectives on the supranational integration of the mining industry of southern Africa. From Wolfe 1962a. There have been many changes in particular companies since that time, but the connectedness illustrated prevails.

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drew a conclusion influenced by my ethnographic experience with societies lacking state structures. Ambiguity of boundary is a characteristic of such systems, and may be seen as having adaptive value in that it permits expansion when conditions are right and tends to conserve its mass when conditions are adverse. Tracing the interconnections among the groups involved revealed circles within circles and circles intersecting circles. One could not say, at any point, this is where the system ends, all these are in, all those are not.

Since that time, and especially since 1972, other scholars have looked at much corporate interlocking (Berkowitz 1982, Burt 1983, Fennema and Schijf 1979, Mariolis 1982, Mizruchi 1982, Riner 1981). Most of these limit their studies to American firms or to interlocking European firms. When they do deal with international issues, what they find tends to corroborate my original view of what is going on: Corporations are linking in a system of relationships that functions beyond the jurisdictions of the nation-states to which economic statisticians seem wedded.

In a methodologically sophisticated study, Joel Levine (1972) used a multidimensional scaling technique to map the "spheres of influence" evidenced by corporate interlocking among fourteen banks and seventy industrial corporations in America. These 84 corporations form a completely and highly connected network, just as I would have predicted. Further, the paths that connect the banks to one another are short, at most two steps (from bank "a" through industrial "a" to bank "b" and from bank "b" through industrial "b" to bank "c"). In his "gnomonic map" (Figure 2), the corporate interlocks are translated into distances, the industrials most strongly linked to a bank being found near that bank in the "three-dimensional" space represented. From an empty center, one diverges in the direction of Morgan Guaranty if one is Atlantic Richfield, or in the direction of Chase if one is Burlington Industries. Or, one splits the angle between those two if one is linked to both, as in Singer. So the major banks tend to dominate "sectors" of the entire sphere.

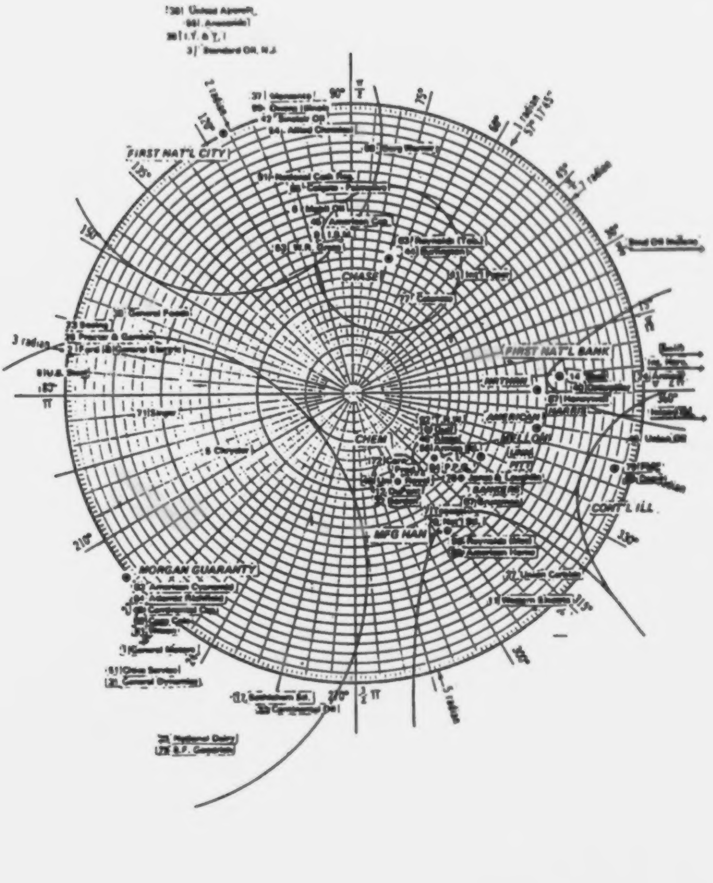
Standard Oil, N.J.
90°
$\frac{\pi}{2}$
75°
60°
1 radian
57° 17'45"
45°
30°
15°
FIRST NAT'L CITY
135°
150°
CHASE
3 radian
180°
π
FIRST NAT'L BANK
AMERICAN
HARRIS
MELLON
CHEM
8 Chrysler
71 Singer
MFG HAN
CONT'L ILL.
210°
MORGAN GUARANTY
330°
315°
300°
270°
$\frac{3}{2}$ π
5 radian

Figure 2. Gnomonic map of sphere of influence. Adapted from Levine 1972.

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Later, Levine and Roy (1979) applied similar methods to data on directorates of 797 American corporations. They found interlocking common, and the whole highly connected (at least 724 completely connected). More than half of all possible pairs are connected in paths of length three or less. They summarize: "The network of corporations and directors appears to be as intricately and tightly tied together as is a small community with its multiplicity of cross-cutting ties" (354). They used various techniques to search for an "elite," that is, to see whether the observed connectivity was dependent on some subset of critical nodes. Even taking the banks out, on the grounds of the earlier studies that showed industrials primarily connected by banks, did not significantly alter the connectedness. Then they systematically removed, one by one, the corporations that had the most connections. The whole network changed very little because most of those linked through each one that was removed had alternative connections. "The large-graph, short-linked phenomenon we have observed," they said, "does not break up under this massive destruction of its parts" (p. 356). Indeed, that is what I would have expected, and what I said, in 1962.

In the past few years more technical studies of the networks of interlocking directorates have made improvements of a mathematical nature, but nothing that affects interpretation markedly (Mariolis 1982, Berkowitz 1982, Bonacich and Domhoff 1981, and Mizruchi 1982).

Fennema and Schijf (1979) and Reed Riner (1981) provide interesting overall reviews of the literature on interlocking directorates. Unfortunately for our interest here, much of the literature starts with, and never gets above, the perspective of individual firm-to-firm relations, and deals poorly, or not at all, with the whole, either as a system or as a structured network. Despite the paucity of structurally oriented studies of corporations interlocking internationally, Riner (1981), who came to the work with a supranational perspective, is led to make some interesting observations:

> In 1965 the first Eurodollar crisis demonstrated that corporations participating in the supranational network had acquired control of

> sufficient resources to challenge the sovereignty of the local economy in even the largest nation-states. Coincident with the initiation of a global communications network through the launching of the Early Bird satellite and the first widely publicized steps toward global inventory and planning through Volkswagen's funding of the Club of Rome, 1965 recommends itself as the closing date of the post-classic period of capitalism and the effective emergence of the supranational level of sociocultural integration" (p. 170).

To the degree that there is a supranational system, the actors within it come under its influence while their dependence on other systems of which they are also a part declines correspondingly. Those actors may be social units of many kinds -- business firms, of course, but also nation-states, cities, families, and individuals. There is quite a bit of evidence on the relations between corporations and states, because those issues have been the object of much deliberate study (see Wolfe 1977 and 1980 for many references). Less prominent in the literature are studies of the involvement of families and persons and cities. I was impressed some years ago by the work of Burton Benedict (1968) on family firms in economic development, even though he does not reach directly toward the supranational level. Greenfield, Strickon and Aubey (1979) include in Entrepreneurs in Cultural Context studies that are relevant. Also, some work by Larissa Lomnitz (1980) comes close to dealing with issues that I consider important for an understanding of a supranational system. Ted Downing (1981) presented a paper intriguingly titled, "The Internationalization of Capital: Mrs. Olsen and Juan Valdez: Thoughts on Exploitation in Agriculture." Among many other interesting observations Downing makes this one:

> In Oaxaca and elsewhere, the focus upon IC (Internationalization of Capital) and its impact on local level peoples diminishes the importance of peasant, cultural area, and regional ethnographic studies. As the internationalization of capital penetrates into the Mexican hinterlands, coffee

> producers become more similar to one another and to coffee producers in Africa (and Brazil) than to non-coffee producing peasants in their own culture areas (p. 18).

Even in the work of Peter Evans (1979:11), who does not share my belief that the development of the supranational system weakens territorially-based institutions such as the state, there is evidence of effects on families and persons. The "national industrial bourgeoisie," which he finds "alive and well," operate increasingly in collaboration with international capital so that, in his words, "the gap separating the local capitalists who are able to play a role in shaping the process of accumulation from those who are not in a position to do so grows larger" (p. 11). Clearly the gap among locals grows because the cosmopolitans among them are being integrated into the supranational system.

I must emphasize as a major point: nation states are becoming weaker relative to the other actors in the supranational system. It is not just that peripheral states are weak, but also that so-called center states are weakening. I dealt with that twenty years ago in terms of the decolonization experience, using as a primary example the fact that Belgium and the Congo "governments" were both weakened relative to the network of multinational firms operating in their common supranational environment. Speaking more generally, there is evidence that the United States, celebrated often as the Center par excellence, is really not so powerful that it can control much in this supranational environment. C. Fred Bergsten (1982), somewhat of an expert in matters of international economic relations, recently wrote on this issue: "The United States has become heavily dependent on the world economy. At the same time, the ability of the United States to dictate the course of international economic activities has declined sharply" (1982:11). He continues, "The share of (international) trade in the U.S. gross national product has doubled during the past decade" (p. 12). And then, "Another key development that has contributed to the erosion of U.S. international economic power, and in fact that of all national governments, is the emergence of major non-national actors in the international economic process. The multinational corporations now account for perhaps $2 trillion of all off-shore production. Private international banking arrangements and so-called Eurocurrency markets recycle the bulk of the OPEC surpluses, now running at about $100 billion annually. So private entities, often operating outside the direct control of any government, have reduced sovereign power in general and that of the United States in particular" (p. 13).

On the role of cities in the supranational system, I noted earlier that the Southern Anthropological Association Key Symposium in 1980 was devoted to the subject of cities in hierarchical perspective. That symposium was published under the title, Cities in a Larger Context, edited by Thomas W. Collins (1980). My paper in that symposium went into some detail on the changing relations among states, cities, and multinational firms, concluding that in general cities and firms were gaining at the expense of states. Other papers there are similar, for example, that by Carol Hill on Atlanta as an international city, that by Jack Rollwagen using the concept of World System, and that by Douglas Uzzell on complex community issues at the Mexican-American border.

Before concluding, I need to say something about the World System approach, mentioned in passing more than once (see Chirot and Hall 1982 for a recent review and extensive bibliography). From the name of the approach, one would expect considerable relevance to the issue of the generation of a supranational system above the level of nation-states. Still, I have not found their concepts helpful. For one thing, world-system authors seem totally market-oriented instead of social system oriented. Secondly, the world-system authors see everything that is happening now as simple continuation of the development of capitalism, gradual growth of the world market over four centuries, instead of seeing the current spurt of activity as a qualitative leap to a different level of integration. Third, despite the name, world-system authors seem quite nation-oriented, country-oriented, thinking in terms of national participation in the world economy and national economic development, instead of recognizing that nation-states are only one among several types of actors in the supranational system. When they speak of "structure" of the world-system they are referring to their classification of countries into the abstract categories of center, periphery, and semiperiphery. Instead of permitting the structure to arise form the data, as structure tends to do when one uses network models, World System authors spend an inordinate amount of effort trying to decide whether a given country is in or is not in one of their predetermined categories. Further, the center-periphery terminology perpetuates a geographic image that is hardly appropriate for the supranational system as I see it. In short, I haven't found much use for the world system model in my attempts to understand the continuing evolution of sociocultural systems above the level of the nation-state. The facts they report are certainly important, but their theory seems inconsistent with the dynamics of the current world situation and inconsistent with the structure that I see developing at this level.

CONCLUSIONS

Data on the relations among corporations, nation-states, cities, families, and individuals can now be analyzed with the help of network models from graph theory and dynamic nonlinear models of generative processes, toward the end that we will be able to appreciate the evolutionary significance of the development of a supranational system.

The development of this supranational system has many implications for the anthropology of business. The relations among the business corporations involved in the supranational system are not simply governed by principles of a free market. All organizations in the system are not equally accessible to one another. Exchanges and other communications follow pathways through the network, pathways of relationships already established by precedent or pathways being tentatively inaugurated in attempts to reduce risks in an unstable organizational environment. Corporations maneuver to put themselves in advantageous positions relative to others in the system. Corporations play multiple parts in an increasingly integrated sociocultural network that includes other kinds of actors as well. Like these other actors, business corporations make decisions by processing information from their environment. If that environment is, as I believe it is, an evolving system such as has never been seen before, then their actions have an impact on that evolution. Business corporations, and we who study them, have an awesome responsibility to assess that changing ironment adequately.

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IGBO KINSHIP[1] AND MODERN ENTREPRENEURIAL ORGANIZATION: THE TRANSPORTATION AND SPARE PARTS BUSINESS

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INTRODUCTION

The Nnewi Igbo people of Nigeria have creatively engineered a modern economic niche, i.e. a complex transportation service and spare parts distribution business for Nigeria.[2] The present day success of this multi-million naira[3] industry results from the pioneering efforts of early 1900's entrepreneurs who initiated the bicycle business. It was induced through a collage of sociocultural fragments garnered from both western international business and Igbo ethnic traditions and coupled to form the growing transport market of today.

A major feature of this spiraling industry is the use of the Igbo family to coordinate business growth. The intricate use of kinship to build the transportation business is the focus of this article. Studies of traditional functions of African kin systems emphasize its political nature (Guyer 1981; Radcliffe-Brown 1970). The story of Igbo entrepreneurial perspicacity explains how they have transformed these functions to economic purpose.

Struggles for "development from above," i.e., programs such as those advanced by world bank organizations, and "development from below" or "grass roots movements" spurred on by the people (Wallman 1977), should add to their repertoire other models of change, like the successful one presented here. Then the appropriation of needed resources such as education, labor, and new technologies can be allocated most efficiently and in concert with on-going indigenous development.

HISTORICAL PERSPECTIVE;

Information presented here on the history and evolution of the transportation business among the Nnewi Igbo entrepreneurs of Nigeria is drawn from my field research (see Silverstein 1983), which was spurred on by suggestions that economic histories of Africa are needed (McCall 1975), as well as studies on African economic development (Hoben 1972).

Nnewi interest in transportation investment was engendered by a need to streamline movement of palm products in the early 1900's for the growing European market. Head-loading and rolling tin-drums full of palm oil were quickly replaced by bicycles, and eventually trucks. Nnewi was instrumental in this change. The town, a maze of green walls, is located in the lush forest region of the Niger river, 15 miles southeast of Onitsha, one of the largest commercial centers of West Africa (see Map 1). Lying in the heart of one of the most productive areas in the world for growth of palm, the town is just the right distance away from collection centers like Onitsha to make transport investment and growth of entrepreneurial talent (Skinner 1976) feasible.

In addition to their production of palm products (to this day a significant source of income, particularly for women), Nnewi merchants migrated throughout what was then West Africa, relocating in urban centers to practice diverse trades. Needing less expensive and more dependable transport for their goods, they invested their profits in vehicles. Spare parts were required to keep these vehicles on the roads. The merchants then reinvested in that business. Since that time they have moved between the two industries. Often working for multinational corporations as drivers, clerks, managers etc., Nnewi employees learned the ways of international business that they later selectively utilized in their own companies.

Due to the nature of their business, which called them to fan out on the changing Nigerian urban hierarchy, Nnewi entrepreneurs did not utilize their home town as a basis of physical operation. Yet, as Nnewi diminished in importance as a place, it grew as a binding force for the "sons abroad" as Igbos away from home are called. This illustrates the importance of locality power as it extends over greater distances and political-economic levels (Leeds 1973). Not until 1971, after the Nigerian Civil War, and their return to business, did Nnewi people build Nkwo market in Nnewi, as a nexus for transhipment of spare parts. At last the rewards of Nnewi entrepreneurial expertise came home.

Nnewi businessmen flourished because they were willing to migrate to do their trade. Commercial success in the transportation business in developing countries is directly correlated with migration of its owners (Zacharia & Conde 1981). The distribution of spare parts is also correlated with relocation. Nnewi migration sustains a complex historical process which simultaneously follows several locational patterns.

Numerous variables show up as both describable and explainable in terms of location patterning. These include age, education, sex, and kind of business. The focus presented in this article shows the tri-correlation among (1) business variables of trade level, and trade line, (2) particular locations on the urban hierarchy, articulating with (3) specific kinship descent subsystems and marriage rules.

One form of locational organization, referred to as the mercantile pattern, is found in West Africa. These routes rose to facilitate import/export trade, as they are perpendicular to the coast (Rodney1973; Taaffee, Morrill & Gould 1974). An example found in Nigeria is the coastal city of Port Harcourt followed inward by Aba, Umuahia, & Enugu moving north. A continuation of mercantile routes initiated thousands of years ago for travelling between desert and savanna, or north to south, is also significant, particularly for the migration of Nnewi businessmen. A Nigerian example includes Kano, the nexus of the desert/savanna zones followed southward by Zaria, Kaduna, and Minna.

A second locational pattern providing a support structure for the spatial economy of transportation trade is the indigenous market, identified by Northrup (1978) as essential to the understanding of economic history in West Africa. Periodic market time coordination differs among ethnic groups. Some have 5 days per week, others 4, as do the Igbos. All systems have a series of graded time intervals (for example, 4, 8, 16,and 28 day cycles) with smaller local retail markets generally held weekly and larger wholesale regional markets held monthly. The exact history of these market systems is emerging in the literature. Due to the intricate geography of these markets their knowledge by Igbo middlemen was essential to the ultimate success of transport trade networks as they emerged along these market webs.

An overall urban hierarchy described for Nigeria (Mabogunje 1968) consists of a merging of the two systems described above. Nnewi historically had four periodic markets which each met on one of the 4 days Nkwo, Eke, Ofo, and Oye. Each market was linked to one quarter of Nnewi, and thus one line of kinship. While Ofo and Oye have waned in importance, Eke has waxed in significance and has a periodic specialty market for farmer's implements, goats, and chickens. Nkwo market turned into the central daily market of Nnewi and is now the home of one of the major distribution centers for spare parts in West Africa. Its increase in importance has hastened the changing status of Nnewi from rural to urban.

NNEWI KINSHIP SYSTEM

Family structure is crucial to the formation and organization of the Nnewi Igbo ethnic group's transportation business community. Lineage networks, intensive intermarriage, and ranked seniority with unequal inheritance are helpful for capital accumulation and organization of business needs. Specific descent groups specialize in particular aspects of the business, including (1) lines (Mercedes-Benz, Toyota, Ford, etc.), carried for both vehicles and parts; (2) types of vehicles, e.g. motorcycles, bicycles, lorries, tankers, trailers; (3) kind of part, e.g. batteries, mufflers, accessories; and (4) levels of business operation, e.g. import, wholesale, and retail trade. In addition to the above sectors of kin participation, descent groups are used as spheres and channels for recruitment, training, control over and access to routes, company branching, contacts, and contracts. Marriage practices, particularly high rates of endogamy, are helpful in the organization of resources because women carry with them access to capital, labor, skills, and connections that are beneficial to the growth and expansion of the community business.

DESCENT SYSTEM

The Nnewi Igbo people have a patrilineal descent system based on a set of ranked lineages of unequal power constructed on a ladder of brother seniority. These descent groups (see Fig. 1) share rights in people, land, and religious deities, and maintain specific responsibilities to the larger community. The highest level of descent to which Nnewi belongs is the Agbaja people (see Fig. 2). Ichi and Oraifite, towns lying close to Nnewi, share with her the worship of Edo, their mythological deity and high goddess. In the modern context Ichi and Oraifite businessmen join with Nnewi in her commercial diaspora. They also share in the association of Anaedo Social Club, literally "Land of Edo," that now has branches throughout Nigeria, and incidentally provides numerous economic services for the organization of the Nnewi business community.

Nnewi town divides into quarters named Otollo, Uruagu, Umudim, and Nnewichi, as shown on Map 2.

Town world view is expressed in kinship metaphors, i.e., the "four sons of Nnewi," and "four brothers of Nnewi." Visceral metaphors strike deep the emotional attachment for Nnewi. The "four arms of Nnewi," and "four jaws that speak for Nnewi," simultaneously announce democratic and hierarchical aspects of Nnewi socioeconomic and political interaction. As Nnewi sons, the four quarters work together and exhibit democratic zeal in the decision making process, where all citizens have their say. Yet the four quarters have unequal power in specific situations. Otollo is the oldest, the most populous, and has the most power. The younger lineages, represented by Uruagu, Umudim, and Nnewichi respectively, contribute less when called for, and retain smaller levels of responsibility. Each quarter divides into several large families, each residing on and owning one village of Nnewi as shown on Map 2. Several families share each village and so on down to the individual household compound with one male head. The seniority of male siblings is the kinship pattern repeated throughout the levels of the kinship hierarchy.

Top levels of each kin group at the upper echelons of the hierarchy have royal status. Each quarter for instance has its own ruler, the obi, who is the senior male in the royal hereditary lineage of that quarter. His Highness Igwe Orizu III, coming from Otollo, which has higher status by seniority than the other quarters, is the king of Nnewi. Each of the large kinship groups within the quarters has their own chief who is the senior son from the royal family of that quarter, who rules by birthright. Heads of each of these kinship units provide leadership for corporate ownership of religious shrines and take an important share in the organizational planning for the needed development of roads, schools, hospitals, water facilities, bridges, and other amenities in their territory.

The traditional hierarchical ranking of the descent system helps efficiently compartmentalize and channel labor, supplies, information, skills, and capital. Power over resources essential to the establishment of firms has increasingly followed these same channels (although not on a one-to-one basis). Capital movement, labor recruitment, and new business openings are mobilized through descent groups.

It is not possible to make a generalization concerning the transformation of old wealth from the Nnewi aristocracy to the present day wealth of Nnewi tycoons. However, a greater proportion of Nnewi businessmen do come from senior Nnewi families. One reason may be that as the Tabanan people, studied by Geertz (1970), used their aristocratic political connections to develop economic networks, so did the Nnewi Igbo aristocracy utilize their own connections to establish their transportation business across Igboland. Another reason may be that the aristocracy have larger families and therefore a greater pool of available resources to utilize in modernization efforts.

Customary historical tradition localized politico-religious and economic specializations throughout a hierarchy of Igbo towns and descent groups; modern day business suspends itself on the same system, but moves far beyond the boundaries of Igboland and sports more complexity in the organizational use of the kinship system. Awka Igbo, for example, provided the Igbo people with expert blacksmiths from one particular descent group that located throughout Igboland (Webb 1981). Nnewi Igbo now supply transport entrepreneurs; the pattern of specialization of the business is reflected more deeply among the descent groups, and migration patterns reach throughout West Africa. Thus, the customary system for organizing specialization has increasingly utilized the descent system and spread a wider migrational net, while the principles have remained the same.

KINSHIP GROUPS AND MIGRATIONAL ORGANIZATION

A major cohesive force in the establishment of Nnewi business community off-shoots inside towns and cities throughout Nigeria (those settlements in cities outside of Igboland are referred to as the sabon gari, stranger towns) is the descent group. Provision of a home for the next brother continues to weld the community's stability. Igbo businessmen abroad customarily replicate their village settlement pattern in the city they move to

(Nzimiro 1965). Nnewi transport and spare parts businessmen often live with other Igbos. However, they also copy their own town patterns, segregating geographically on the streets of the city along kinship lines. Thus, they carry with them to the place of migration a tradition of "geo-kinship."

Statistically, although one can usually find members of all quarters in Nnewi locating in one major region, there is a proportionately higher correlation of Nnewi quarters with specific Nigerian regions. Nnewi history reports that one man from Otollo moved north to Kano. After establishing himself he called for his "brothers", meaning "relatives", to apprentice for him, and help him in the business. He first had a few, then many young men from his own descent and affinal groups join him. After five years of apprenticeship these newer, younger men by custom had to move out and open their own businesses. Normative patterns indicate that young men open businesses in the same city, move to surrounding hinterlands, or move to major cities in other regions. Opening a business in the hinterland of a region where one has not been apprenticed rarely occurs. As a result of these patterns larger aggregates of Otollo men and their families settled in the North. Citizens of Uruagu and Umudim quarters moved to Lagos and then dispersed throughout the western region hinterland, mirroring migration patterns exhibited by Otollo families in the North.

Living in the same house as one's relatives was and is sometimes the case, although just living in the general area as one's relatives is helpful psychologically, socially, and commercially. For instance, a picture emerges whereby rural kin off-shoots of the business supply markets for wholesale dealers in the cities, while city businessmen support their younger siblings by investing in their new stores in the country and provide them with necessary access to city connections (like associations, innovations, help, etc.). Having one's father or brother as a wholesale supplier in Aba in the east is indeed helpful to the fledgling store keeper opening a business in Ikot Ekpene, a small town in Aba's catchment area.

The outer spatial edge of the spare parts distribution system is located in retail stores in small towns most distant from larger Nigerian cities. Significant business resources move through this major permeable membrane located at the edge of the larger spare parts market. Non-kin are scooped up from the local towns to add to the business network. Small retail businesses in the hinterland hire a greater number of non-kin than similar businesses in the city. These non-kin, more than those in the cities, are placed in important positions inside the businesses. Fortified with the requisite information to run trucking companies and spare parts stores, they often eventually open their own businesses. One now finds several towns in Eastern Nigeria where there are many more spare parts shops owned by non-Nnewians than Nnewians. Yet the economic history of the town tells the story of Nnewi people who first initiated spare parts stands in that place, and then became teachers of others.

In addition to the spread of information to non-kin the ethnic business tends to spray out family members across its periphery -- losing labor and skills for the system, but often gaining access to whole different sets of resources. These individuals may be "figuratively dropped" from their ethnic commercial networks only to be called on when their families need critical help for the business. They cross the border of the industry by engaging in different work disciplines and marrying into the local area. However, the tight reins of the transport industry are still held at the import/wholesale sector in the city. I hypothesize that most ethnically organized commercial groups operate in a similar manner. From a system's model perspective it seems that the integrity of the family commercial networks is kept by keeping the centers stronger with kin, and the marginal borders fluid.

LINEAGE ORGANIZATION OF DISTRIBUTION PATTERNS

The function of marketing is not only to make sure goods are transported from production to consumption areas, but also transferred from the hands of producers, by collection and subsequent distribution, into the hands of consumers (Berry 1967:125). The custom of Nnewi businessmen is to utilize their kinship groups to recruit and organize personnel for the various levels of the market structure

In the context of spare parts and vehicle distribution there are three significant levels: import, wholesale, and retail. The relationship between specific lineages and these levels is illustrated by examination of the activities of members of the New Spare Parts Association of Nnewi. The constituency when the information was gathered was two hundred fifty-one. Eighty percent, or one hundred ninety-one are from Nnewi. Twenty percent of the total membership are close relatives (brothers, uncles, cousins).

Figures shown in Table 1 indicate that 60% of the close relatives are in the same level of trade, 35% share certain levels of the business, and 5% are unknown. Consequently none of the descent group members are in totally different levels of the business. Kinship, therefore, is a cohesive factor in the recruitment and supply of personnel to different market levels.

Many entrepreneurs simultaneously immerse themselves in more than one level of the spare parts market chain. Statistics of family members in the same or different levels of the trade, as shown on Table 1, indicate that of the 35% who diversify their investments, all engage in one business which is the same as their relative.

Organization of owners and employees of the transportation service sector adopt a similar pattern. The service market divides into a range of different sized companies, depending on the number and kind of vehicles (for example investment in one lorry is equal to the investment in several taxis; one tanker is equal to several busses or two gas stations)> The same types of transportation service are engaged in by close relatives. "Juniors," traditionally those individuals trained by older family members (in a "senioring" relationship with younger brothers, nephews, cousins) and sons are usually by custom given gifts of vehicles, contracts, contacts, and transport routes by senior family members upon completion of their apprenticeship. By Nnewi Igbo convention receivers of gifts then attempt to build up their business to match their relatives, and gain community prestige through successful independence. Through this practice of handing on assets and information about the business through relatives, specializations within the transport service and repair sectors rest in the hands of specific descent groups.

Although there is not by any means a perfect correlation between type of transportation service and level of the general market, it is generally true that larger vehicles - like trailers and large lorries - haul imported and wholesale goods, whereas busses carry goods between wholesalers and retailers, and jitneys, pick-up, and taxis move consumers and their goods. As a result sellers of transportation service, kinship groups, and their customers, who operate at specific market levels, are correlated. Consequently there is a traditional prescription for passing on whole sets of economic resources on specific levels of the market by particular descent groups.

ORGANIZATION OF LINEAGE MEMBERS TO SELL SPECIFIC LINES AND ITEMS

The data collected on this topic is also drawn from the Nnewi New Spare Parts Association. The information is complete on the particular line or brand sold, but is incomplete on the kind of items or vehicle parts that are sold. Although there is no one-to-one relationship, in the majority of cases Japanese lines include motorcycle parts and motorcycles; French and German lines are carried in the form of automobiles, lorries, and their parts.

An overview of lines (including Mercedes-Benz, Toyota, Peugeot, Ford, etc.) sold by individuals in the same Nnewi family by quarters or sub-clans is shown in Table 2. Data analysis indicates that 58% of Nnewi family members sell the same line, and 21% sell a different line, while the rest are unknown. When only definite responses (i.e. those marked same and different) are considered, 73% sell the same line. This is quite high. A similar 73% holds when Ichi and Ukpor definite responses are considered. The conclusion can be drawn that in about three-fourths of the cases families specialize by line.

Further evidence is outlined on Table 3 for one quarter. Clusters of particular vehicle lines are correlated with specific lineages. The majority of lines are big sellers at Nkwo market in Nnewi. Sixty-one percent Nnewichi specialize in Japanese lines. However, two smaller lineages inside Nnewichi (Okpuno and Ezeobuo) have 19 companies or control 73% of their quarter's Japanese market. Two other lineages (Abubo and Odida) at the same descent level have only 7 companies or control only 27% of their quarter's Japanese market. Therefore there is line specialization by these smaller descent groups as well as for the larger quarter. It is obviously the customary practice to pass on information, contacts, and contracts to members of the same lineage. This process is more complicated than passing in the direct line. Control over certain lines is passed through an intricate and circuitous pattern that connects the apprenticeship system with the lineage system. Further discussion on this topic will be presented in another paper; space limits more in-depth presentation in this article.

MARRIAGE PREFERENCES: SILLS, CAPITAL & CONNECTIONS

The higher Nnewi frequency of endogamy and lower frequency of exogamy makes resource flow needed for the business community more efficient. Control over resources accumulated in the pockets of more powerful people - such as royal families - prevents loss through uncontrolled marriage networks outside the community.

Nnewi people prefer to marry "within themselves." The rule asserts that "one should marry a woman from one's mother's village." The cultural logic argues that there will be less conflict between daughter-in-law and mother-in-law if they know each other and have been raised to do things in the same way. Examination of data drawn from men in the transportation industry, and their sisters, indicates that these rules are followed to a great extent. Calculations of numbers of marriages inside descent groups ranging from the largest, and deepest, i.e., Nnewi itself, to smaller family units, indicates that they progressively get smaller. Endogamous percents are 71%, 76%, 57%, 25%, 46%, and 15% respectively for each smaller inclusive lineage. Simultaneously the degree of exogamy increases directly with the diminution of the family unit beginning with 29% for Nnewi at the top, followed by 17%, 32%, 33%, and 62% as the lineages decrease in size. Therefore, from the male perspective 2/3 marry into Nnewi and 1/3 marry out.

Further corroboration of non-randomly higher rates of Nnewi endogamy are found in the results of the frequency of sisters of association members marrying Nnewi men. The degree of women who marry out is higher than that for men. There are reasons for this. Nnewi marriage rules have a patrilineal/patrilocal focus. This means that important items of inheritance (like land), and rights in children, fall exclusively in the male line. It also means that the residence for new couples where the husband is from Nnewi would be located in Nnewi. As a result, although there is still a high degree of Nnewi in-marriage by sisters of Nnewi transportation businessmen, the rules are reflected in the higher number marrying out. While 66% or 3/5 of the women married Nnewi men, 44% or 2/5 of the women did not. Of the 44% who did not marry Nnewi men, all but one married Igbo men.

One major reason for the growth and development of this community business, even though it tends to have a high rate of endogamy, is that there is a high rate of migration of both men and women. Young men first move to the cities alone. After they have finished their apprenticeship and established their stores and shops they send for their Nnewi wives. Women stabilize the commercial group by providing traditional home environments, lessening psychological stress from the culture shock of living in a different setting for the men and giving them more energy for their business. Nnewi women also supply an Igbo cultural base for the apprentices, who usually eat in their masters' (teachers') homes and often sleep there. Wives also usually work in the cities where they locate, often in the markets of the sabon garis, stranger towns, where they live. They sell cloth. They also sell food imported from the Igbo area, such as kola nut, and gari, dried and grated cassava, used not only by themselves, but also by the Hausa people. One also sees Igbo women selling baked goods in certain markets. Restaurants and hotels opened by these women are commercial extensions of these nurturing functions. In addition Nnewi women work as nurses and teachers bringing them in closer contact with the larger surrounding community.

Given the above discussion on the organization of a particular ethnic commercial community and relevant discussions by other economic anthropologists, I conclude that a combination of significant variables are important. These include (1) rates of endogamy/exogamy, (2) distinctions of class, and (3) levels of migration. Where endogamy is restricted to the village per se, as it is in the Oaxaca Valley in Mexico, and occupation is characterized by unique village specializations while class distinctions are nil, people marry in and trade out. The continued functioning of this type of sociocultural system faces disaster when confronted with modernization (Vogt 1970; Beals 1979:156). However, where village endogamy is the prescription, but higher rates of exogamy are commonly found in the upper ranking levels, as it is in Nnewi society (where there was a custom of higher rates of polygamy), trade is promoted by kin groups as well as the market system. Igbo entrepreneurs historically married into one or more families along trade routes (Cookely 1973; Green 1954:152), obtaining connections for their commercial activities. In-laws' homes provide rest and safety during travel. They broaden "on-the-spot" business connections by helping to obtain local license, buying and renting of real estate, and in opening businesses. In fact, it is often profitable for in-laws to enter business together. Historical kin connections have been significant in the development of the Nnewi commercial community. Nnewi sons-in-law taking wives from other places in Igboland have received vehicles as dowry. Exogamy by Nnewi women also receives its modernized rewards. Transportation service commerce is constantly looking for new markets and customers. Sale of more parts soon follows. Connections with in-laws who have almost any business (since all businesses are ultimately supported by transportation infrastructure) is advantageous. If it is through in-law connections, so much the better.

Nnewi combines three different marriage strategies to spur on the growth of its transportation industry. First, endogamous rules are used to strengthen Nnewi cultural bonds needed to support the commercial community. Second, endogamy operates to keep numerous resources flowing within the Nnewi commercial group such as labor, skills, information, capital, and control over routes from slipping out of their control. Third, Nnewi has readapted its affinal connections throughout Igboland to service modern requirements such as the growing interest of Nnewi in transport commerce.

SUMMARY

Our knowledge of the versatility of kinship is growing in the field of anthropology (Cordell & Becherman 1980). Hopefully, it will induce greater scholarly interest in the issue raised by Geertz (1970): that to understand Third World development it is necessary to explore how different socioeconomic structures fit into the international world economy. Kinship sometimes serves to impede adaptive change (Lamphere 1980). Most scholars of economic development, from all political perspectives, have viewed the extended family as a deterrent to development. Only recently has this view begun to change. Berry explicitly states that she recognizes how kin groups can make major contributions to processes of economic development (1977).

In this article I have presented a description of how descent and affinal structures organize one modern business community in Nigeria. Offered in this article is the kind of information upon which generalizations on modernization and development processes of the type called for by Geertz (1970) can be made. Specifically another case study is added to the few studies done to explore what Geertz deems as essential (Ibid). He states that major innovations and innovactional problems faced by entrepreneurs in the Third World are organizational. Nnewi entrepreneurs offer us a working model of innovational socioeconomic organization in an industry -- transportation -- that is crucial for modernization and development.

NOTES

1. The terms family and lineage are to be distinguished in this article in the following ways. The term lineage is utilized when larger descent groups ranging from 4 to 15 generations deep are being discussed. The term family may be understood in two ways, each determined by its context. First, it is used as an overall term for the large extended family including affines as well as consanguines and connotes all the lineage levels. Second, it specifically designates the smallest descent units, referring to the primary family of 3 generations.

2. The Ijebu Yoruba of Nigeria also have been major innovators in the building of a spare parts distribution business for that country. This article however focuses especially on the role of the Nnewi Igbo.

3. The Naira is the standard Nigerian currency. N1 is equivalent to $1.36 (August 1984).

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RELIGIOUS AND ECONOMIC EXTERNALITIES OF AMERICAN-GUATEMALAN AGRIBUSINESS

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INTRODUCTION

It is the thesis of this paper that high levels of American involvement in Guatemalan agricultural development have worsened living conditions for the rural poor and increased both political violence and religious involvement in local politics. These trends have occurred in spite of improvements in official economic indicators. Agribusiness development has reduced the opportunities of the rural poor to provide for their own basic needs (through subsistence activities and craft production) while providing wage labor for a small proportion of the affected rural population. Other negative externalities of agribusiness have included damage to wildlife, soil and human health. Religious symbols and values tend to guide local perceptions and responses to these externalities. Consequently political movements are frequently based on religious values and appeals to religious symbols.

The growth of large-scale commercial agriculture for export as well as the promotion of commercial agricultural inputs will, for the purposes of this paper, be defined as agribusiness. The costs and benefits to society which are external to the industry itself, but produced by it, will be referred to as externalities. They include social, cultural and distributional efforts as well as the better-known ecological effects of development.

Guatemalan agribusiness has an historical land-tenure pattern, an international business investment environment, an inter-governmental development and aid policy, and relationships with a large number of volunteer projects - including mission activities. Its externalities affect religious, political and revolutionary forces within this deeply divided country. Investment policies, government incentives and national regulations are based upon decision-makers' beliefs concerning the nature and stages of development processes. Within the concrete, local situation the results are perceived in the context of more traditional beliefs. Values, historical experiences, and expectations are expressed in religious symbols and rituals. It is through this matrix of beliefs that change is perceived and judged. Such judgments affect popular attitudes toward the legitimacy of government. This paper is based on preliminary investigations of (1) the beliefs of planners, (2) the beliefs of persons affected by policy, and (3) the documentation that exits in the social science literature and government statistics concerning the actual results. It is recognized that beliefs of social scientists guide the selection, collection, and analysis of data; however, that problem is beyond the scope of this paper. The paper concludes with recommendations for further research concerning the potential contributions of anthropologists to planning and evaluation of investments by international business as well as to regulation and government policy, along the lines described by Cochrane in The Cultural Appraisal of Development Projects (1979).

METHODOLOGY

Research began in 1974 during a one-year study of religious ritual in Highland New Guatemala (primarily in the area between Quetzaltenango, Santa Cruz del Quiche and Guatemala City), sponsored by the Organization of

American States.1 This has been followed by analysis of religious symbols in the photographs taken during ritual celebrations, and by library research concerning health, food, human rights, economic development, etc.

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References to informants throughout the article are to persons interviewed in a number of towns throughout the highlands of Guatemala and in the Pacific Coast area from September 1974 through July 1975. In addition, some informants were residents of Antigua, Guatemala, where my husband and I, and our two children (ages 2 and 12) lived during the week. On weekends we traveled to photograph the yearly celebrations for patron saints of different towns as well as the other celebrations of religious holidays.

Discussions with both Indian and Ladino (Latin) observers of fiestas began either with references to the cost of the fiesta or with references to the health of children and the cost of food. Many of my informants were fellow mothers, who were also accompanied by their children and waiting to see the parades, processions, dances and other events of the fiesta. In town after town, discussions led repeatedly to the subject of food prices. There appeared to be a general concern about the cost increases, not only for "luxury" items such as meat, cheese, and milk, but for the basic corn and beans, as well. (See Plates 1 and 2)

The cost of fertilizers, pesticides, herbicides and transportation had escalated due to the first oil crisis and the international inflation. All of these costs had contributed to the rising price of food. The hardships of migration to the coast for picking cotton or to the coffee plantations for their harvest were new experiences for many families who had not previously had to resort to such strategies for survival. Concern about the number of children and being able to feed children was frequently directly expressed. I was often asked about the year gap between my two children. Had some of mine died too? No?!? How had I spaced them like that? What was the secret we have in our country?

When my two-year old would not sit still, I was told not to worry. It meant he was healthy. He wouldn't

Plate 1. The Church: Religious response to the crisis in subsistence. The Cathedral of Antigua on the Eve of the New Year. (Photographer: Stephen C. Sumner)

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Plate 2. "May the Saints bring down the prices of corn and beans." San Andres Izapa, Holy Day procession.
(Photographer: Stephen C. Sumner)

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die. They were happy for me and patted him on the head, removing any possible bad effects of praise. (This behavior is connected with beliefs in the Evil Eye, which originated in medieval Spain). My son did eventually get amoebic dysentery, salmonella, and a variety of less-serious intestinal and stomach aliments at different times during the year we were there. I had a number of occasions to wait with him in doctor's offices, as well as to wait with sick children of neighbors and friends. But my son was well-nourished. He lived. That was what they had meant. It was later, through the work of Early (1982), Behrhorst (1975), and Solomons and Allen (1983), that the synergistic effects of malnutrition and disease on 1-5 year old children was made clear to me, together with their relationship to the high death rates of that age group in Guatemala.

It was through fellow Americans who had resided in Guatemala for long periods of time that I first heard about the fate of local people who attempted to form unions or to organize for better working conditions, wages, land or jobs. These Americans were from diverse backgrounds: "hippies," retired commercial airline pilots, Peace Corps workers, engineers, priests, Mormon missionaries, fundamentalist missionaries ("evangelicos"), etc. I heard the same type of stories, in the same hushed tone, in towns from Huehuetenango to Santo Tomas.

From Indian mothers who had worked on the plantations ("fincas"), I heard about the effects of pesticide spraying on children. I saw the advertisements for pesticides, herbicides and chemical fertilizers. I saw the empty containers on the farms, floating down the stream. I noticed the ones that said DDT because I knew it was banned at home, and yet the containers said U.S.A. In 1983 there were U.N. investigations and attempts to curb the sales of hazardous substances in the Third World. The Reagan administration's rejection of such efforts was reported in the Christian Science Monitor (Jan. 5, 1983) and the New York Times (March 28, 1983).

None of my informants was selected by me, but the themes of their conversations were similar. The pattern of concerns was repeated. There was an informal selection process in that frequently contacts were made through the local priest, whose permission and advice (concerning the photographing of religious ritual) we routinely sought. Many of these priests were American or had contact with Americans. Many of them also had established rapport with some local persons through their work with cooperatives, as well as their normal parish duties.

It was only later, after more reading of the Guatemala literature, that the implicit messages in the photographs of religious ritual began to connect with the conversations about the earth, food, sickness, health and the growing repression, the violence. Images of wealthy Ladino land-owners, American businessmen and Army officers appeared in the role of a Judas figure during Holy Week in many places. Some of the clowning figures of fiesta parades (convites) were American too -- mixed in with burlesqued figures of Conquistadors, Spanish ladies, etc. I was somewhat embarrassed, somewhat uncomfortable viewing the caricatures of Americans. I was aware that people looked the other way, seemed embarrassed, and avoided any reference to those figures while I was there. They giggled and changed the subject if asked directly about them. But those were small incidents at the time-- in an atmosphere of general warmth, openness and sharing. I dismissed them at the time and only later connected them with the hunger, the fear.

From Ladino landowners, businessmen, and students-- as well as from the newspapers and billboards, radio and TV-- I became aware of the links between export agriculture; U.S. herbicides, pesticides and fertilizers; foreign exchange and debt; and how they are related to development policies. I have gradually begun to see a pattern emerge from these observed, heard and photographed experiences. What I experienced was a "vertical slice" of Guatemala in the agricultural domain. Following Laura Nader's advice to study "up" the power structure and to examine vertical slices carefully, I have sought to increase my understanding of the field work experiences through library research in government publications, anthropological sources, and the literature from both refugee groups and international organizations.

In this article, I have combined in each topical section the subjective reports of my informants, my own perceptions in the field (colored by my own subjective bias as a mother, a Protestant of Northern European descent, a U.S. native, and an anthropologist of American training), and a brief synopsis of relevant literature. With respect to methodology, the section on Religious Responses differs from the others in that it is based primarily on my own analysis of photographs taken during the fiestas-- plus some reference to the anthropological literature.

HISTORICAL AND INTERNATIONAL CONTEXT OF VILLAGE ECONOMICS IN GUATEMALA

The externalities of Guatemalan agribusiness follow a land distribution pattern that has historical roots in the Spanish colonial system. Most of the land was divided into large holdings for the Spanish elite (latifundia) with a small amount left for many peasant workers. There also had been substantial Church holdings and some communally-held Indian lands, but in the 19th century, a process of "land reform" transferred these to large, individually-owned farms devoted to coffee production for German exporters. The trend toward using more and more land for exported commodities is continuing, now predominantly under American influence. In the 20th century, American influence expanded from bananas, military security and marketing of American products to include substantial new purchases of cotton, beef, and sugar - thus expanding the markets for local commercial agriculture. Latifundia, from the 19th century coffee plantations onward, were increasingly commercial, modernizing agribusinesses, dependent on foreign markets and, more recently, on foreign agricultural inputs as well. (For brief reviews of the available documentation of these processes see Dorner and Quiros, 1973; Brown, 1974; and Melville and Melville, 1971).

More recently, U.S. and other foreign investment has been attracted by discoveries of nickel and petroleum. Concurrently with the broadening U.S. involvement described above has come a new emphasis on investment in Guatemalan industry--including shared ownership, franchising, and financing. The United States has had a large impact on Guatemalan economic development and has a strong military and economic interest in Guatemala, as well as in the rest of Central America and Mexico. Japan and Western Europe have increased their involvement as well, but the U.S. continues to be the predominant influence (DiGiovanni and Harvey 1982; Institute for Policy Studies 1983).

The United States government has extended more than $150 million in credit to Guatemala and has nearly $100 million in contingent liabilities on insurance and guarantees of private contracts with Guatemalan obligors (including many with partial ownership, shared with U.S. corporations). The total value of these private projects is over $400 million. (Contingent Foreign Liabilities of the U.S. Government, U.S. Treasury Dept., March 31, 1982; pp. 25, 49).

The above statistics concerning U.S. government involvement do not, however, reflect the extent of involvement. There is also substantial investment by U.S. banks and private corporations as well as government involvement through various multilateral agencies such as the World Bank and the International Monetary Fund. Loans, aid and guarantees from the U.S. government, U.S. banks and U.S. influenced international development organizations have been largely tied to policies emphasizing commercial, export agriculture as a means for raising foreign exchange to finance technological modernization in the region. They have also been tied to a "good investment climate" for foreign investors, including multinational corporations. This has generally, within Guatemala, been interpreted to mean low wages, little environmental protection, poorly-enforced safeguards for human health, low corporate taxes, low investment risk (due to government guarantees and insurance), little supervision or regulation, and government support for the suppression of protests on the part of labor or concerned citizens from other groups. This pattern has been amply documented by NACLA (North American Congress on Latin America, 1974), the Multinational Monitor (Mar/Apr 1983, May 1983, and July 1983), SCAAN (Stanford Central America Action Network, 1983), Fagen and Pellicer (1983), and numerous writers in CEPAL (U.N. Economic Commission for Latin America, 1982 and 1983), among many others.

The policies described above have continued in Guatemala despite the fact that the prices of nearly all agricultural exports decreased from 1978 to 1982 while the prices of foods within Guatemala rose far more rapidly than they had been rising since World War II. What $100 would buy in 1950 food cost $199 in 1976. In only six more years the price had increased nearly a hundred dollars more -- to a total bill of $294 by 1982 (Boletin Estadistico, 1983; pp. 46 and 56).

The effect of these price increases on human welfare has been further exacerbated by other factors:

(1) A decrease in the amount of land used for subsistence crops per person, as population grows and newly opened lands flow into the hands of commercial export agriculturalists (Informants; Development Associates and A.I.D., 1982, p. 6).

(2) A decrease in the availability of raw materials for household production, domestic network exchange, and trade in traditional markets (Informants).

(3) A decrease in employment opportunities in agriculture. From 1974 to 1982 the number of persons officially employed in agricultural occupations was reduced from 235,000 to 166,000 as increasing numbers of workers were replaced by agricultural machinery (Informants; Boletin Estadistico, 1983; pp. 55-63).

These people were available for employment in industry; however, industry had not increased its labor needs sufficiently to employ most of them. Without land or agricultural employment many moved to the slums, hoping to eventually find employment in the growing industrial sector. Because the modern technology being imported was not labor-intensive and because the population was rapidly growing, the prospects for finding employment were, and continue to be, very poor.

The observations by informants described a pattern one would expect to find following the statistical analysis of development and distribution made by Teachman (1983). The dependence on the world market (especially on a few commodities), the penetration of the economy by multinational corporations, and the failure of the government to institute progressive taxation would all predict that the increase in inequality resulting from middle stages of development would be severe.

THE CULTURAL CONTEXT

The traditional "Ladinos" (Latins) of Guatemala are similar to those of other Latin American countries. The "Indians" (indigenous people) are of primarily Mayan origin and are estimated to be between 40 and 50% of the population - a far greater proportion than exists in any other Central American country. This deep cultural division of the country causes intercultural misunderstandings to assume great political significance.

The following descriptions of two basic cultures are to be understood as basic types, or essential configurations, and not as exclusive sets. There are serious problems with any generalizations about another culture: (1) they tend to imply that there is more uniformity within the culture than actually exists, and (2) they are prone to bias and may be misused to justify stereotypes which feed discrimination. I therefore caution that the following be understood as rough sketches, necessarily affected by my bias as an American anthropologist.

The Ladino culture is within the general Latin American pattern. The word itself is a local variation of the word, "Latino." Detailed, productive work in industry and modern agriculture is frequently said to be not as highly prized as work in the fine arts, politics, the professions (of law and medicine), and the military. Manual labor is often disdained by those who can afford not to do it. Household servants are hired when the family becomes able to afford a little extra. There is a strong sense of lineage and of fine manners. Beauty, style, form, etiquette, lineage, family and social networks based on patron-client dyads are commonly said to be more highly valued by Ladinos than by Anglos (a term loosely used to describe North Americans of predominantly Western European cultural tradition). Legal statutes, rules and regulations are generally seen as statements of the ideal, which must be adjusted to allow for the real circumstances ("la situacion," "nuestras circunstancias," "los problemas especiales del pais"). Yet it is also true that middle and upper class Ladinos pride themselves on their similarities to Americans and disclaim the Latin American reputation for accepting bribes. I met no American who claimed to have been detained at a Guatemalan border until he bribed an official. Guatemalans of all classes and Americans in Guatemala do report, however, that Guatemalan officials discretely (and sometimes quite obviously) respond to the pressures of power, prestige, and personal networks--more so than is typically thought to be the case in the U.S.

Indian culture is frequently said to emphasize land, nature, fertility, cyclical patterns and the place of human beings within the natural order. The fatalism, passivity and resignation which many outsiders have attributed to them is belied by a long history of resistance and revolt against Spanish and, later, Guatemalan military and economic domination. Carmack (1984), Bricker (1981) and others have found and described historic records of such events, as well as the folklore which refers to them--some of which is found in fiesta ritual.

Investment in land (usually only small parcels can be afforded) and productive resources (such as a blender for a fruit-drink stand) are seen as important long-term strategies (when there is some confidence that improved holdings will not be taken away by the legal or extra-legal maneuvering of politically-powerful Ladinos). Jewelry is frequently bought as a more liquid financial investment, since it can be sold in an emergency, if cash is needed quickly. In addition, money is invested in social standing (and thus, in influence and networks which provide economically and politically useful information) through the cargador complex of fiesta sponsorship.[2] However, the latter tends to disappear, according to Smith (1977) either when poverty reaches an extreme where the fiesta expenses are an intolerable burden or when a community begins to achieve a relatively secure place within the national scene and is in control of the direction of its own economic growth, like San Pedro Sacatepequez.

In comparison with Ladino culture, among Indians physical work is both accepted and valued for the entire family. Productive investment is greatly emphasized over conspicuous consumption. Both of these attributes give Indian entrepreneurial families an advantage over Ladino ones, when discriminatory practices are not continued. Ladinos frequently express their awareness and fear of this fact. Indians are also aware of it. (Informants; Smith 1977, p. 178).

Trade and travel are highly prized. It is not uncommon for Indians to travel extensively within Guatemala, to the capital and even to neighboring countries, both on foot and by bus. Kinship is a strong value and domestic networks are important to household survival, although careful accounts of debts and payments are kept.

Informants frequently mentioned that being useful to others is a matter of great importance -- a criteria by which they judge both themselves and others. Loyalty is also an important value. The most common expression of disgust, used casually by men and women is "Ay, la gran chucha," (the great bitch), an evocation of the Malinche, who betrayed her people to become the mistress of Cortez during the Spanish conquest.

Cleanliness is also important. I frequently observed Indian mothers bathing children at the pila (the combination of faucet or fountain and basin, which is used for washing clothes as well), in a river, or by splashing water from a faucet or stream when away from home. This bathing is normally done in the morning, after the sun has warmed the air. Ladinos are suspected of being unclean, of not bathing. My children's outgrown clothing could be worn by their children because we were Americans. They normally did not use clothing given by Ladinos for fear the children would catch diseases from it and die.

Land is valued by Indians for more than its economic worth. It is sacred. One's ancestors' souls are there and one's own umbilical cord is buried there--linking one's soul to the souls of the ancestors and to the forces of life hidden in the earth. Individuals may leave home for long periods of time, but the importance of the village as a place to return, a sacred center, is usually retained.

There are many poor Ladinos (frequently referred to as "barefoot Ladinos" or "barefoot L's") with whom many Indians share a common social class. On the other hand there are Indians in Quetzaltenango and San Pedro Sacatepequez who share the middle-class status normally associated exclusively with Ladinos in Guatemala, without having given up their Indian identity. These Indian towns are large enough to support a substantial middle class (Informants; observations; Smith, 1977). There are also Indians who wear Western clothing, speak fluent Spanish, move to Ladino towns, and "pass" as Ladinos, thereby gaining social status in the eyes of most Ladinos. Outside of Quetzaltenango and San Pedro, a Ladino status also affects economic opportunities. Even economically successful Indians from these large towns meet with social stigma when traveling outside Indian areas. Many Indians who "pass" as Ladinos publicly, retain beliefs, customs and values of their indigenous culture in their private lives. A public Indian identity can easily be lost within two generations of mobility. On a purely physical basis many Ladinos and Indians cannot be distinguished from each other, since much of the population is of mixed ancestry. In spite of this well-known fact, those who carry the cultural signs of being Indian are thought of and spoken of as a different race (raza), by many people.

There are Europeans and Americans who have joined the middle and upper-class Ladinos. Their children are frequently referred to as "Ladinos" when they develop a facility with Ladino culture. They often marry into Ladino families. In addition, Ladino families frequently travel to Europe and to the United States.

Neither the Ladino nor the Indian culture has the same assumptions, social structure, investment patterns or values as American firms' managers and U.S. government employees. The same word may be used but the underlying connotations, the range of application, and the degree of precision are frequently understood quite differently, as are references to time. Even the physical distance considered appropriate between business associates differs--leading to charges that American businessmen are "cold" and that Guatemalan (Ladino) ones are overly personal or "pushy." Most importantly, the deep-rooted conflict between Indian and Ladino is frequently not fully comprehended by either American agribusiness representatives or U.S. agency personnel in Guatemala. (A review of the literature presenting both sides of the historical and the more recent incidents at Wounded Knee, South Dakota might make the situation in Guatemala more comprehensible to many Americans.)

As an example of the kind of mutual suspicions and antagonisms that exist, it should be pointed out that Indian perceptions of Ladinos as dirty people were not substantiated by observations nor by conversations with Ladinos. Quite the reverse was expressed by Ladino informants. They saw Indians as generally rather dirty and unhealthy. I was advised not to let my children play with theirs. Native clothing that I bought should be carefully washed before I put in on my children, to avoid possible diseases. In addition, they were frequently described to me as not being like "us." According to many Ladinos, Indians do not feel the cold, are terribly strong and can work long hours without pain, are superstitious and stupid, as well as immoral and lazy, etc., etc.

ENVIRONMENTAL EFFECTS OF AGRIBUSINESS AS EXPERIENCED

With the introduction of increasing amounts of U.S. nvestment in Guatemala's agribusiness has come increased research and advice concerning the special problems and possibilities of the country's various ecosystems. Indigenous agriculture has been blamed by American experts for inefficiency and soil erosion. Inadvertently, such pronouncements have justified local confiscation of indigenous lands for "more productive use," in order to contribute to the national economy and progress.

The product of export agriculture brings in highly regarded foreign exchange. Complaints about agricultural pollution are seen as a threat to foreign investment, which is widely thought to be necessary for modernization. U.S. investments are heavily involved in agricultural inputs such as pesticides, fertilizers, farm equipment, marketing, transportation, storage, etc. The externalities of this economic policy remain unmeasured by government agencies within Guatemala. Children count the dead birds. Old people remember when there were fish in certain streams that run through the cotton fields. Farmers watch with wrinkled foreheads as the wind blows the top soil into a soft brown haze across the horizon. Migrant workers talk in hushed voices about the "aire envenenado" (poisoned air) that comes from the little planes . . . and about the sicknesses that follow. (See Plate 3)

Ladino land-owners see indigenous methods as primitive, wasteful, and destructive of the soil. They are proud of using modern, American methods. Yet by 1975 many of them were already disturbed by the loss of wildlife, the contamination of water and air, and the erosion of soil. They were uneasy about the rising cost of fertilizer and pesticides, due to the oil crisis and inflation. In addition, they had traditionally taken pride in land ownership and the quality, the aesthetic beauty of their holdings. After showing me his tractor, combines, trucks, plane, etc., one farmer looked sadly across to a silent stand of trees along the road and said, "Oh, but you should have seen the birds we used to have here. They sang so beautifully. It was a rich thing (rico) to hear them sing in the mornings. Now it is so quiet."

The practices of many Guatemalan farmers are very largely controlled by agribusiness lending and marketing arrangements designed by U.S. development experts (Tobis, pp. 136-7). Farmers I interviewed frequently reported that they found themselves constrained to continue following "expert" foreign advice even when they would have preferred not to do so. Problems which were mentioned by informants and observed in the field include:

Plate 3. "A Good Investment Climate." Cotton harvest, Pacific Coast piedmont. (Photographer: Stephen C. Sumner)

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1. Loss of wildlife due to loss of cover, to loss of wild foods, and to pesticide accumulations in the food chain.

2. The need to continually increase and/or change pesticides as insects increasingly become immune and natural predators disappear (being higher in the food chain and thus more vulnerable).

3. The effects on fieldworkers, cattle, and honey bees of DDT and other pesticides which are banned in the U.S.

4. Effects of herbicides on human beings and the ecosystem.

5. Dependency on inorganic fertilizers, which must be used in increasing amounts to maintain production--the soil is said to develop an "addiction" to it.

6. The effects of deep plowing on water loss and soil erosion--particularly on volcanic soils in sloping fields.

7. The effects chemical fertilizers have on plant resistance to disease, drought, and insect pests (due to the exhaustion of trace minerals and humus, as well as to the chemical effects on micro-organisms in the soil).

8. The opportunity costs of land used for export crops (ie., the consequences of not using that land for subsistence crops).

9. The problem of providing employment for displaced workers when modernizing agribusinesses switch to machines and when other employment in developing industries is lacking (due to the capital-intensive nature and relatively small size of the developing industrial sector).

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Misapplication of temperate zone agricultural techniques in Guatemala may, in fact, have resulted in more damage to soil, forests, wildlife, local human populations, water quality, etc. than the damage frequently attributed to peasants by foreign planners. The traditional peasant methods of cultivation may not have been producing as much taxable income or foreign exchange for the government as export crops do; however, they not only provided for the basic human needs of the rural poor, but did so in a manner that was relatively undestructive of the local environment and relatively efficient, until the overcrowding forced them to reduce the fallow period beyond a critical point.

It is difficult to analyze the efficiency of the traditional economic system which produces and distributes goods in an informal system of local markets with "penny capitalism" (Tax, 1952). Items sold in this indigenous market system are made by part-time specialists and some full-time ones, who work in their homes or the workshops of relatives (fictive, consanguineal, or affinal). Specializations vary across towns and regions in response to micro-environmental differences which affect plants, animals and the availability of raw materials such as clay and wood. Guatemalan indigenes have traditionally had free or very inexpensive access to many raw materials with which they have manufactured clothing, pottery, cooking utensils, other tools, cooking and heating fuel, and housing. The commercial exploitation of more and more land not only reduces land used for subsistence crops, but also reduces the availability of raw materials for the local, informal economic system which was not well-registered in government statistics, but which provided a wealth of handcrafted consumer goods. (See Plate 4) The loss of the raw materials (clay, straw, wood, etc.) from which these items were made can be seen as the loss of a Guatemalan "commons" (see Hardin and Baden, 1977). It has seriously affected the local population's ability to meet their own basic needs through their own initiative. The local population had never lacked entrepreneurial skills. Initiative, careful accounting, risk-taking, calculated investment strategies were all part of their traditional economic system (Smith, 1978). The loss of this system is not only destructive of physical well-being but may also prove to be destructive of "human capital"--of the initiative, self-reliance, and productive skills which are

Plate 4. The informal econmy. selling wreaths for All Souls' Day, Antigua.
(Photographer: Stephen C. Sumner)

among the oft-professed goals of development projects in the less-developed countries (Hirschman, 1967; and Cochrane, 1976). However, these attitudes and skills together with the informal economy they produced were not tied to the international economic system. Their loss is a cost which has been external to the cost-benefit analyses of government agencies and private corporations. Yet it was precisely the independence from the world market which both made this informal market invisible to planners and allowed it to relatively reliably meet basic human needs regardless of the notorious fluctuations of international commodity prices.

In addition to the above discussion of efficiency, it is important to examine charges that the traditional peasant methods of cultivation were destructive of the earth. Slash-and-burn agriculture (rotating use of plots which are given long fallow periods in which they return to forest) is only destructive of land when over-crowding forces peasants to reuse fallow land before it is ready. Otherwise this method follows a cyclical pattern in which land replenishes its own fertility during the fallow period (as deep-rooted weeds and bushes bring minerals up from the subsoil while contributing to the rebuilding of humus through the natural composting of their falling leaves).

Overuse of land in turn is related to a number of factors: (1) population growth, (2) the under-use of some land being held for investment purposes, and (3) the use of increasing amounts of land for export agriculture. In addition, peasants have often had little incentive to use either traditional methods or modern ones for soil improvement because of a pattern of appropriation and/or increases in rent which has followed increases in productivity. Without security of tenure, no-one can be expected to invest in the quality of the soil he tills. In some areas where land ownership has been secure,the traditional Mayan methods of natural pest control and soil conservation have been preserved. These include inter-cropping (which reduces weeds, lessens insect damage, and reduces erosion from run-off); the planting of herbs (to repel insects and sickness); a fallow period when crop stubble and new weeds are left in place, thus holding the soil; hand cultivation, which does not disrupt the soil except where the seed is planted; and the leaving of rocks and stumps, which further anchor the soil and conserve moisture. In addition, garbage and human wastes are frequently incorporated in the soil of small orchards behind homes (which provided a variety of fruit year-round, thereby supplying many nutrients, vitamins and minerals, which are necessary for health and resistance to disease). Sheep and mule manure were also added through the rotation of pens and pasture, as well as through the application of gathered manure (Smith, 1977, pp. 80-82).

These traditional procedures have been ignored by many rural development projects in their efforts to promote the spectacular new products, which yield rapid profits. Chemical pesticides, herbicides, inorganic fertilizers and capital-intensive machinery have been strongly promoted by agribusiness advertisements, which nowhere mention the well-known side-effects and long-term consequences of these products, many of which are banned in developed countries. Farmers who resist using the new products are frequently labeled by outsiders as backward, superstitious peasants. However, even conservative small farmers are not adverse to development and change. In many rural development projects, local small farmers, both Indian and Ladino, have shown a willingness to use appropriate, small-scale technology that does not damage the ecosystem but which does increase crop yields per acre (Behrhorst, 1975; Oxfam America, 1983). It is important, however, that rapport and trust have been established first. Guatemalan Indians have a long history, and reasons to distrust outsiders. They also have little beyond what they need to survive. They cannot afford to take risks with that, even though it might seem a small risk by our standards. (See Plate 5)

The most severe problem with the traditional system seems to have been the problem of access to land. Lack of sufficient land for family farms causes farmers in desperation to resort to methods they know are destructive. Fallow periods are reluctantly given up to prevent starvation (Smith 1977). Of all the perceived problems discussed above this one is the easiest to document. Effects of chemical products are usually hard to discern, especially in a highly-charged political

Plate 5. Risk-taking on the margins of subsistence: priest blessing truck, San Felipe. (Photographer: Stephen C. Sumner)

environment in which epidemiological studies have no validity because doctors are afraid to report cases (Informants).

Interviews with farmers in the United States done by Schwartz-Nobel (1981) also show adoption of techniques and inputs feared to be destructive. Here, however, the pressures are different, arising from the costs involved in maintaining a competitive business, the problem of debt financing in poor years, an the fear of losing the farm through mortgage foreclosures. This is similar to the set of pressures felt by Ladino latifundistas.

"THE NEW COMMODITY SYSTEM APPROACH"

The Zacapa project, sponsored by government agencies and agribusiness investments, emphasized the "commodity system approach" to the development of Guatemalan agribusiness. Problems with worker reliability and productivity were briefly referred to with recommendations concerning "education," an example of which was to show the children workers the number of cucumbers which had to be thrown away due to their carelessness. No relationship was seen between labor problems, the use of child labor and the wage, which was printed as part of the budget. It was $.10 per hour. No mention was given of the well-known effects of malnutrition, chronic hunger and disease on performance. The effects of the heat and humidity on human work capacity were also not taken into account (Austin 1974; Goldberg 1974).

Recent scientific studies of the effects of such factors on human performance indicate the heavy weight they should be given in planning and evaluation of projects and business investments -- as well as in the design of human services. Solomons and Allen (1983) review the general literature and address the specific problems encountered in Guatemala, in connection with malnutrition and performance. Brandt (1979) has carefully documented the limits imposed by environmental heat and humidity on physical work capacity. Work burns calories, increasing body temperature unless the heat can be discharged into a cooler environment. Humidity interferes substantially with the discharge of body heat. Rises in body temperature result in heat exhaustion and potentially in death. In addition, there seems to be a cumulative effect. Resistance to heat stress may be reduced with each exposure. What has frequently been perceived by observers and supervisors as laziness in tropical climates may now be understood to be a necessary self-protective mechanism correlated to temperature and humidity.

The Zacapa project did not take into account the health and nutrition of workers, nor the heat in which they worked. In addition it did not take into account the opportunity cost of the land being used for these export crops. It could have been used to grow corn and beans for local people. Culled cucumbers, not perfect enough to withstand the shipping, might have been made available for food. That possibility was explicity rejected because it was feared that it would lower the rice of cucumbers in the local market. Therefore the culls were fed to pigs. Apparently pig owners did not buy food for pigs in a market, so no potential profits were lost.

On the basis of this project recommendations were made for curriculum development in the agricultural schools of Central America. They include the following suggestions:

1. Improving communication between the U.S. buyer and the local growers concerning marketing requirements.

2. Improving the reliability of transportation and refrigeration.

3. Securing a reliable supplier of crates.

4. Careful control of the timing and use of pesticides, herbicides and fertilizers to ensure good crops.

5. Careful coordination of all aspects from planting to marketing.

That combination of concerns is what was proclaimed as the "new commodity systems approach." Corporations cannot, perhaps, be expected to explain to land-owners the ecological problems involved, since their goal is to sell products. In addition, there is no evidence of awareness on the part of the project's sponsors of the potential effects on the poor majority in the rural area. A number of little-known tropical fruits and plants are being investigated for "potential growth markets" in the U.S., Europe, and Japan. If the "systems approach" being applied to these expansions of export agriculture do not begin to take into account the larger system - ecological and human - the results will continue to affect the entire Guatemalan economic and political system. The externalities of this agribusiness approach may make the social structure increasingly vulnerable through loss of public confidence. There are promising approaches to the effect of industry externalities on the larger system in some of the literature -- particularly in reference to integrated pest control systems and to soil use and conservation.3 However, these research concerns do not seem to have directly affected policy and business investments, except perhaps in Nicaragua through the work of Food First, Institute for Food and Development Policy.

In the development world "consumers" are thought of as being roughly equivalent to the labor force and to the population in general. Thus, expansion of more productive methods into new territory sounds like an increase in welfare. However, if the product goes elsewhere and the local population loses access to land, perhaps it is time to re-examine the accounting procedures and their actual relationship to human well-being, health, disease, and the deaths of children.

ECONOMIC EFFECTS, INVESTMENT STRATEGY AND GOVERNMENT REGULATION

The pursuit of profit by American corporations abroad has frequently been blamed for the "development of underdevelopment" (Frank, 1969 and 1981). Being at the periphery of a world system is said to subject less-developed countries to periods of severe economic suffering and political instability resulting from swings in commodity prices, which largely determine their balance of payments.

The ease with which investment money may be moved from one company or industry to another makes short-term profits the life-blood of American firms and of managerial careers. American firms abroad cannot be expected to behave differently than they do at home,unless restricted externally. At home, they have been regulated (often poorly) in attempts to protect the long-term welfare of society and the fertility of the soil-upon which any social system must ultimately depend. Abroad, these firms compete with multinationals based in Japan, Germany, England, France, etc. If the U.S. unilaterally restricts its corporations abroad, this will cripple their ability to compete with other firms. They will lose markets and profits.

It is also true that poor, undeveloped countries are at a distinct disadvantage in negotiating with large corporations (Prebesch, 1982). They lack experience with modern technology and equal access to information and information-processing technology. In addition they frequently lack alternatives. The firms, in turn, are not aware of how the local environment (ecological, social and cultural) will be affected by their "corporate culture," their accustomed way of doing business.

The situation may require a pooling of information, expertise and experience by the under-developed nations so that truly productive, mutually beneficial arrangements may be made with multinational corporations. The corporations also have a long-term stake in this process since regulation can potentially keep them from destructive practices which would otherwise have to be pursued in a competitive, unregulated milieu. Such practices can eventually destroy the social and physical environment upon which ultimately all development and progress depend.

Given the commonly-accepted modern techniques of project evaluation, corporations cannot be expected to respond to their own long-term self-interests. Decisions are, in fact, made in reference to the short-term profits of stock-holders and the promotion prospects of top managers, who frequently move on to other jobs long before the consequences of their decisions are clear.

This problem is exacerbated by the practice of present-time discounting of a stream of anticipated future benefits or costs, which is part of the standard decision-making procedures used today by governments, international agencies and private organizations. Page (1974) has shown how this discounted-present-value approach can produce a result where extinction will be chosen as optimal. As long as short-term profits can be made on the road to extinction, that path will be chosen; even when other paths are available that would also yield profits, albeit lower ones.

It may prove fruitful to compare Page's "path to extinction" (1977) with Hayek's famous "road to serfdom" (1944). Hayek argues that there can be no secure defense of liberty and civil rights without capitalism. Personal liberty and political liberty depend ultimately on economic freedom, a free market. Perhaps a key to the dilemna may be found in Hayek's own references to the need for law, as a precondition of capitalism. Law potentially protects economic exchange from coercion and from deceit. Perhaps one could argue that given the complexity of today's technology and its ability to affect ecological thresholds, we have a problem of deceit and coercion affecting the public as a whole. There seems to be a new category of "public bads," of non-discrete, non-exclusionary costs paid by the public while private investors appropriate the profits which are larger because they do not reflect the costs actually incurred (Cf. Burkhead and Miner, 1971). We need a way to assess the losses to human well-being which are associated with the loss of informal, local markets; household production; domestic distribution networks; and subsistence agriculture.

Other problems include the possibility that a very small segment of a country's population may utilize nearly all of its resources without distributing benefits. A strategy for development in accord with the elite's values and self-interests (rather than the whole society's) may be to allow the majority of the population to starve on the grounds that the computed present value of their life-time earnings may be less than the cost of keeping them alive. Such a position might be defended on the grounds of a peculiar economic "rationality," in a world where resources are scarce and technology is capital-intensive. On purely economic grounds it could be insanely but logically argued that the new system does not need to exploit labor and might regard it as an unnecessary expense to maintain a large, unneeded population. A tendency to opt for such a strategy may be expected to be especially strong in a society in which the elite have been raised in an aristocratic tradition and are of a different race and culture than the majority of the population - which is also expanding at a rate such that it doubled between 1950 and 1976 (the figures were 3,024,000 for 1950; 5,743,000 for 1973; and a projected figure of 6,237,000 for 1976; Country Demographic Profiles: Guatemala, 1977; p. 3).

In Guatemala, not only have Indian lands been seized by the elite for use in export agriculture and as speculative investment, many of the Indians have been left without an opportunity to earn money to buy tortillas and beans -- both of which have more than tripled in price from 1975 to 1982 (Fried, 1983, p. 8). The poor people have thus faced a greater increase in their food prices (for the cheapest of staple foods) than has the population as a whole (compare these prices to those in the section on Village Economics). Poor Ladinos also eat tortillas and beans and they are finding reduced work opportunities as well.

Those who find work are working long hours for very little pay. Considering economic theories concerning supply and demand this is to be expected in a situation in which there is an over-abundant supply of labor. In a truly free market, given this condition, wages can be expected to drop to the level necessary to maintain subsistence, or even lower - until the population is reduced by Malthusian "positive checks." In Guatemala, a subsistence wage adequate to provide basic human needs at minimal expense, was estimated by government sources to be $6.00 per day in 1981. Those workers who belong to unions have finally gotten a minimum wage of a little more than $3.00 a day. Less than 2% of the population owns 65% of the land, 20% of the work force is unemployed and another 50% is under-employed. Yet external trade constitutes one-half of the Gross Domestic Product (Fried, 1983; pp. 100-01). According to hearings in the U.S. Congress the Guatemalan private sector has taken $340 million out of the country, investing it in condominiums, Swiss bank accounts, etc. (Hickey, 1983; p. 27). Meanwhile, comparing the years 1965-67 with 1974-76 the Pan American Health Organization found an increase of 50% in the number of malnourished children, totaling 38% of all children ages 0-5; during this period of time beef consumption in Guatemala dropped from an average of 8 kilograms per year to 7 per year (Leal, 1983; pp. 211-12). Beef is one of Guatemala's biggest export businesses. The beef is bought largely in the U.S. (U.S. Imports for Consumption and General Imports, 1980, Table 1, 1-555; Boletin Estadistico, 1983, pp. 46).

Durham reports that in Guatemala IBRD (International Bank for Rural Development) and U.S. AID funds were to be used for "small farmers," but that the term was defined as including all those with farms of less than 45 hectares (equivalent to over 100 acres) and included 95% of all producers. However, only one-half of the funds actually went to those who were thus defined as "small," the other half went to those among the top 3% of all farmers. Even within the group owning 45 hectares (100 acres) or less, the loans went to the larger farms in each area, thereby increasing the pre-existing inequalities (Durham 1982, pp. 164-9). The reasons for this pattern are easy to understand. Each agency can be expected to be concerned about its own bottom line -- its efficiency. Large land owners are less likely to default on repayment, and they have more collateral. In addition, it takes less time and energy for each agency employee to process applications and disburse funds to a few large land-owners than to many small ones.

The above programs contrast strongly in their effects with a North American doctor's community development project in Chimaltenango. Behrhorst described in a 1975 article his own gradual change of focus from curing to understanding the causes of the recurrent health problems of his client. The community's most strongly perceived need in the area of health was food production. In analyzing the pattern of recurring illness of specific types, he realized that native beliefs were correct. The underlying cause was malnutrition. In order to alleviate disease related to malnutrition and poor sanitation, he assisted the Cakchiquels (an indigenous group) in their efforts to improve soil, crops, nutrition, sanitation, education, preventive health care and family planning. He is typical of many missionaries and community development volunteers who have worked in the Highlands, many of whom came in response to the 1976 earthquake and stayed (Oxfam America, 1983). According to Behrhorst,

> . . . Below the level of national policy people can learn to control their own lives through politics and economics. A cooperative is a good example since it responds to financial need and builds local leadership. The cooperative is no panacea but it is often a practical move in the right direction, laying a foundation for people power in the politics of survival (1975, p. 51).

Behrhorst trained native health practitioners to run a local clinic, helped them organize community projects to improve health and nutrition, and guided the beginning steps of a cooperative, revolving fund for agricultural loans which would allow peasants to direct their own economic development. The latter began with a small seed-money grant from a religious group and was rapidly becoming self-sustaining. Behrhorst looked forward to working himself out of a job.

RELIGIOUS RESPONSES TO PERCEIVED IMMORALITY OF THE SOCIAL ORDER

Increasing government repression has affected rural development projects all over the Highlands, according to a recent report by Oxfam America (1983). This report documents the destruction of the rural development movement (composed of many volunteer organizations and church-sponsored projects) by government campaigns of terror. The reasons for attacking this movement were no doubt varied, but among them was an implied threat to the cheap migratory labor still needed for harvests on cotton and coffee plantations. What many community development workers were unaware of was the history of the situation they found. They assumed the Indian situation in the Highlands to be the result of isolation and ignorance. They were unaware of its connections with the structure and history of the economic and political system of the country.

Examination of historical documents reveals that there have been a series of Indian uprisings, political protests and revitalization movements from the Conquest onward. They have occurred in response to changes in the economic system which made it difficult for indigenous groups to protect their "regions of refuge" from either Spanish or Ladino exploitation (Beltran, 1971; Bricker, 1981). Bricker has documented the recurrence of "Indian Christs" and "Indian Kings" as charismatic leaders of revitalization and protest movements for over 400 years. The continuity of this tradition of protest has been maintained in spite of repeated military suppression. Awareness of this history is maintained and passed on to children through visual symbols in a system of dances and processions woven around the Catholic saints and Catholic ritual, but incorporating many pre-Columbian elements.

Interviews with my informants revealed a set of beliefs which may be related to the series of revolts and to its possible continuation. Activities of the Army, of Ladino land-owners and of American businessmen were seen as immoral by many people with whom I spoke. Indian informants characterized the activities of all three groups as unrestrained uses of power for selfish ends, not for the interests of the earth and the community. Neither the Army nor American businessmen, nor most Ladino landowners, were seen as following the teachings of the Church (Catholic) nor the ways of the earth. However, it was widely acknowledged that associating with the Army, American businessmen and the Ladino elite was a way of improving one's chances. These groups were a potential source of power, of money and privilege that might sustain life while one submitted temporarily to an illegitimate political authority and a destructive economic system.

The Church, as a local institution connected with the elite, was seen as associated with those centers of power -- even though its teachings and its missionaries were obviously delivering a different message. Symbolic betrayal of the church, of Jesus Cristo, for plata (for money, for silver) seems to have an appealing, dramatic irony. Judas figures are popular in both Ladino and Indian communities before Holy Week (Easter Week). Conversations about this figure were frequently accompanied by embarrassed giggling or half-hidden grins. Since I am an American, the uncomplimentary references to American businessmen perhaps was a delicate subject.

Resentment toward European kings, and more recently towards American businessmen, has been expressed in a more directly humorous way in the convites, the parades which announce the beginning of a religious fiesta, as well as in the more solemn enactment of conquest and resistance which are found in the Dances of the Conquest conducted during the fiesta week-ends of many communities throughout the Highlands.

The suffering Christ is a powerful, multivocal symbol (Turner 1969, p. 52), used by both poor Ladinos and Indians. This image represents a number of important concepts: (1) the feeding of the hungry, love and compassion for the poorest of the poor; (2) submission to unjust temporal authorities, as Christ submitted to the Roman soldiers and to Pontius Pilate; and (3) ultimate triumph over the evils of earthly suffering through Christ's promise of both personal resurrection and of a second earthly appearance in which the righteous would be vindicated. Christ's triumphant suffering, and his victory through suffering at the hands of an oppressive military regime (Rome) is a powerful image to both poor Ladinos and poor Indians. In addition, the poor in Guatemala now have allies through this symbol. Missionary priests and nuns as well as Protestant missionaries have been forced to see clearly the impediments to progress in the political, economic and social structure of Guatemala. In the process both mission and other non-governmental organizations have suffered government persecution. Between 1976 and 1981, 12 clergymen were killed by the Army. On June 8, 1982, over 60,000 demonstrators walked into Guatemala City to protest the killings at Panzos of over 100 unarmed, non-violent, protesting peasants who had been deprived of their land by the government. Nuns and priests in clerical garb walked shoulder to shoulder with workers and peasants. One on-looker commented, "This is what Guatemala has been waiting for from the Church -- for over 400 years," (NACLA Report, 1983, p. 5).

The Argentine artist, Perez Esquivel, received the Nobel Peace prize for his organizing an international network of non-violent action groups (the Peace and Justice Service) to resist violent oppression from right-wing governments throughout Latin America. He uses his own image of Christ in a Poncho, which appeared to him in a dream, and refers to the statements by the Latin American bishops at Medellin (as quoted, p. 120):

> We hearby draw attention to and denounce the violence that prevails in the international market place of manufactured goods and raw materials... The international situation also has repercussions on the internal options a country may take. The development models selected reduce the quality of life of the masses of the people; and any reforms that have already been undertaken, such as the agrarian reform, seem to be obliged to come to a halt or even, in certain countries, actually to regress. (Emphasis is mine)

The Pope's message to Guatemalans during his visit included the following as quoted in Maryknoll (Aug. 1983, p. 2):

> Faith teaches us that human beings are the image and likeness of God. This means that persons are endowed with immense dignity and that when people are trampled, when their right tolife is violated, a crime and a very grave offense is committed against God.

In the August 1982 Human Rights Quarterly of the U.N. Commission on Human Rights are published the findings of the commission's investigation in Guatemala (pp. 423-4):

> ....labor unions and associations cannot function normally in Guatemala. ...According to the World Bank's report, Guatemalan poverty is "a

> condition of life so limited by malnutrition, disease, illiteracy, low life-expectancy and high infant-mortality as to be beneath any rational definition of human decency. ...82% of the children under five suffer from malnutrition. ...These problems are compounded by increasingly unequal income distribution, owing to emphasis on export crops and capital-intensive industry. (Emphasis is mine)

Other reports include those of NACLA, Oxfam America, Cultural Survival, the Anthropological Resource Center, the National Lawyer's Guild, Amnesty International, the Catholic Bishops, the American Friends Service Committee, the Network in Solidarity with Guatemala, the Washington Office on Latin America, and the Catholic Foreign Mission Society of America (Maryknoll).

These various organizations document that the Guatemalan army and police forces are linked with an elite which owns the majority of the land and has manipulated land titles to gain land in areas that became potentially profitable due to foreign development projects.

Protest of that situation comes from a number of local movements in Guatemala which use traditional symbols and systems of thought. One of these symbols is the non-violent triumphant Christ figure overcoming the Beast of the Apocalypse, frequently interpreted as a many-headed government monster -- the various emperors of Rome being the various heads. It is a scene from the Book of Revelation in the New Testament, which is a very popular image among both Ladinos and Indians. A strong Christ-centered movement unites Indians and Ladinos with missionaries who have died serving the Highland peoples and with those who left because of threats from right-wing groups believed to represent government forces. This situation has provided poor Guatemalans with groups who can and do lobby for them abroad. This is connected with the messages of the Peace and Justice Service, mentioned earlier.

There is also the previously-mentioned Judas figure. He is paraded around before Holy Week in many Indian and Ladino communities. He demands plata (silver, money) for the sponsoring of Holy Week celebrations. He also threatens non-contributors with an "inheritance" (herencia) of very bad luck, frightening sicknesses, etc. He is frequently dressed like an American businessman, an American or Ladino land-owner, or an Army general. He is clearly Caucasian. (See Plate 6)

The Judas figure appears around Lake Atitlan as Maximon. The rites associated with this unofficial "saint" were described by Mendelson (1965). Maximon is related to an earlier Mayan trickster deity associated with sexual immorality, disorder and fertility. He combines aspects of femininity and masculinity and is believed to be able to take the form of either a man or a woman in order to seduce a person of the opposite sex. Money, cigarettes and alcohol are offered to this "saint" along with gifts of clothing. He, like other Judas figures in Guatemala, has many sets of clothing, the three most common being again: Army officer, American businessman, and Ladino land-owner. He has a number of masks as well. His essential identity is a Mayan core, a cylinder of wood (according to Mendelson's informants) which forms his body trunk. It is kept in a hidden place. Only shamans (chemanes) may take this Being out of the box to dress it for viewing by others. The smoking of tobacco and the drinking of an alcoholic corn drink are both connected with ancient Indian religious rituals evoking power, health, and fertility. They are both also associated with the Army, Ladino land-owners and American businessmen, all of whom are characterized as typically smoking cigars, drinking and ngaging in sexual disorder ("animales son"), according to my informants.

The Church enjoins sexual morality and abstinence, obedience, order and suffering. But in this cultural area (Mesoamerica) the original Indian belief systems were dualistic, stressing the twin principles of order and chaos, male and female. Order was associated with the sun and masculinity, social hierarchy and speaking ability in public. Chaos was associated with the earth, life, fertility and women. Both sets of values were essential to human life (Gossen 1974; The Popol Vuh, 1976). Activities of the Army and those of American businessmen were seen as immoral by my informants, as unrestrained uses of power for selfish interests and not for the

Plate 6. Judas figure as Ladino landowner, betrayer of Christ and His people. Raising money for Holy Week celebrations, on the outskirts of Huehuetenango.
(Photographer: Stephen C. Sumner)

interests of the earth and the community. However, these alien groups were still seen by the Indians as a source of power. Offerings to the Judas, or Maximon, figure were believed to be means of acquiring personal power - especially economic power. (The institutional church of the local Archbishop also aligned itself with the elite and betraying that Church had an appeal.)

During the progressive administrations of Arbenz and Arevalo (1944-54) substantial land reform and rural development were accomplished. It was during this period that Mendelson documents a strong movement to abolish Maximon's cult, led by the reform-minded Catholic priests - but also supported by some members of the community. Ultimately the movement was abolished but it had had a great deal of popular support among those who saw their community moving forward and being respected by the national government. Linkages between economic conditions, relative social status and the formation and maintenance of cults may be similar to that described by Cochrane in the Solomon Islands (1970). The Maximon cult revived and spread after the 1954 coup by strong-man Castillo Armas. During 1974-75, large price increases were experienced throughout the area due to the first oil crisis. Maximon will have many visitors this year, people said. I was repeatedly told that people go see Maximon when times are bad. It was considered appropriate to make offerings to him of alcohol (particularly the home-made corn variety), cigarettes, money, and clothing. He was believed to have strong powers to assist men in obtaining money, alcohol and women.

In the last two years in the Highlands a new belief has risen concerning a type of "salvation" (Earle 1983). It seems to have possibilities for becoming a revitalization movement, unlike Maximon who seems to be a source of private power. Some Indian shamans are saying that Tecun Uman is inside the mountain with one million warriors. When the time comes they will come out and rescue the people, defend them and conquer the Army. In the Chronicles, according to Bricker (1981), it is stated that Tecun Uman was both a great warrior and shaman. He had powers. He could turn himself into a large bird -- like an eagle. He did that with the purpose of defeating Alvarado (the "Cortez" of Central America, the

Conquistador, conqueror) in one-to-one combat. However, he attacked the horse (not understanding the nature of man-riding-horse), cutting off its head and giving Alvarado the opportunity to catch him with a sword. His many-colored feathers then fell to earth. According to Bricker, the Maya interpreted this as a sign that the Christian Gods of the Spanish had proven stronger, had defeated the Mayan gods, and should now be worshiped. All over the Highlands saints can be seen paraded through the streets on their fiesta day with a surrounding arch of many-colored feathers (See Plate 7). In the dances which commenorate the Conquest, particularly in Chichicatenango, the dancers' heads are also decorated with many-colored feathers.

Although these visual symbols of the defeat of Mayan gods are combined with verbal references (during the traditional dance-dramas) to the acceptance of the new God, Jesus, Mary and the saints, I find it possible to read the symbols of the fiestas differently than Bricker does. There may be two distinct layers of meaning, constructed by the native participant-observers of these ritual performances out of the multiple meanings carried by each symbol. The most obvious corresponds to the conquerors' vision of events, which according to dependency theorists, becomes accepted by the majority of the conquered as part of the "colonized mind" syndrome. If we "read" the ritual symbols on the level of their European Christian meanings we have a story of accepted Conquest and accepted new religion. If, however, we read the symbols with their Mayan meanings the story is different. It is one of resistance and of denial of the legitimacy of rule by the invading conquerors.

The feathers form arches above the heads of saints and dancers. They could be placed on the earth where they are said to have fallen during Tecun Uman's defeat. In addition, as Earle has pointed out (1983), at the end of the Dance of the Conquest, Tecun Uman does not die, he flees. He goes into exile. He is said to be in the wilderness. Some say he and the other spirit-men of the old days are staying in Europe and the United States, which is why those people are wealthy. It has also been

Plate 7. Feathers and memories of Conquest, mixed with the fruits of the Sacred Earth: Holy Day procession, San Martin Jilotepeque. (Photographer: Stephen C. Sumner)

reported to both Earle and to me that Tecun Uman is in exile in the U.S. with an American wife.

It has been traditionally said that he would someday return. The new understanding is that he has returned, and returned with many powerful spirit-men. They are clearly not ordinary men because they are both Ladinos and Indians cooperating together in a group. For many Indians that is an extraordinary idea -- outside daily experience -- akin to shamans turning themselves into animals (Earle 1983).

It seems that these villagers have observed something that others have also reported: the guerrilla movement in the hills is for the first time in Guatemala's history succeeding in incorporating large numbers of Indians -- in part due to the generalized fear instilled by the random terror of Army raids (Barryman 1984, pp. 206-19). It is also due to a change in awareness and strategy on the part of the guerrilla forces (NACLA Report, March-April 1983, pp. 2-10). The interpretation by one village shaman of the Indian-Ladino forces in the hills was that since they were obviously the forces of Tecun Uman -- shamans capable of turning themselves into Ladinos -- villagers should be prepared to feed these troops (Earle 1983). (Although, in many areas, the scorched-earth policy of the National Guard will make it very difficult to grow crops to feed anyone).

Several anonymous sources who have recently returned from Guatemala (anthropologists and missionaries) have told me about local movements led by Indian shamans who had dreamed that certain prayers, rituals and ritual clothing would make them immune to the bullets of the National Guard. THis has resulted in at least one massacre, according to the above sources. (These are hearsay reports. No one I spoke to actually witnessed or talked to survivors of the events in question.)

A latent belief in an Indian millenium appears to be represented in some of the religious symbols of the Saturday which follows Holy Friday. The cross carried in procession on this day is an empty wooden cross -- similar to the cross found in many sacred places all over

Guatemala -- the Mayan cross, cross of the four directions and the Earth, Dios Mundo. These crosses are believed to be alive. They must not be removed even when they are rotten and in danger of falling. They must be allowed to fall when God wants them to do so, they must be allowed to "die" a natural death.

In the Saturday procession, at the foot of the cross is a skull. This may simply be a reminder to all of us of our mortality and of the importance of eternal, spiritual values -- that would be the European message. However, it may also be seen as a symbol of the ultimate death of the conquering peoples who came with a Christian cross, and who do not respect the Earth, Dios Mundo, God of the Earth, creator of all life. Without the healthy growth of plants, from a healthy soil, there are no animals and no humans. The skull is surrounded with a proliferation of flowers, fruit, leaves -- symbols of the chaotic fertility and power of the earth, source of human life. Maya, Aztec, and Quiche systems of thought all connected human sacrifice with the regeneration of the life-giving forces of the Earth.

One school of thought within archaeology seems relevant to the visual symbols of modern religious ritual, as well as to the land problems discussed earlier. Adams and Smith (1977) maintain that declining soil fertility due to over-use was the primary cause of the collapse of Mayan Civilization. Bureaucratic - military pressures to provide food for the armies of expanding empire may have resulted in a taxation system that forced agricultural practices in a destructive direction. Or, it may be that simple population growth exerted an unhealthy pressure on the resource base, which eventually reached a threshold. Work by Antonio (1979) on the demise of the Roman Empire carefully documents the relation of the demise to declining harvests caused by over-use of the soil. This would tend to support Adams's argument. Zubrow's application of MacArthur's systems theory to the Hay Hollow Valley region provides additional support. It points out that when climate change and population growth both are negatively affecting crops, then the culture's homeostatic mechanisms are prone to failure. Reduction in family size will not be able to create a new equilibrium below the carrying capacity. In that case, a deviation-amplifying process may produce collapse of the social organization (Zubrow 1972).

Beheading of rulers during times of agricultural crisis is a pattern which some archaeologists have seen in the Mayan material. Regardless of who is right concerning the primary cause of the Mayan Collapse, images of headless jaguars, headless rulers and defaced gods can be found in many archaeological sites that Indians visit, as well as in the Archaeological Museum in Guatemala City. Visual symbols may have very strong significance for illiterate people. These visual images may have particularly strong significance since they are from the times when their own ancestors were in power. They are not the imposed symbols of a colonial culture. The native peoples of Guatemala are visually surrounded by reminders of the rise and fall of civilizations, of the glorious times of their own ancient ones.

Cooperation between Indian poor and Ladino poor that is occurring in a variety of contexts may eventually have to confront the latent values and beliefs of Indians concerning the land. These values and beliefs have been maintained, if my interpretation of the ritual symbols is correct, on a hidden level -- hidden at least from non-Indians. The new cooperative movements of protest and of resistance have been generated by the jointly suffered deprivations of rural poverty, generated at least in part through the incentives and activities of agribusiness investments. As long as there is a common enemy, cooperation between Ladino and Indian poor can be expected to continue in protest and guerrilla activities -- as it did in Nicaragua when a revolution finally began with cries of "Monimbo (an Indian community that had revolted and was massacred) is Nicaragua, Nicaragua is Monimbo." However, when and if victory comes to their side, this coalition of the poor may face an internal division over priorities of agricultural development, in direct reference to underlying value differences concerning exploitive versus sustainable agricultural techniques and to differences regarding beliefs in the attachment of people to particular locations -- where the children's umbilical cords and the souls of the ancestors share a common home and the concern of the people indigenous to that place.

The Catholic Church in Latin America, through its Basic Christian (or ecclesial) Communities and a new "liberation theology" (see Appendix II, especially Gustavo Gutierrez), may be moving in a direction which will enable its people to bridge the cultural gap which divides them.4 The Basic Christian Communities (BCC's) are a grass-roots movement based on small groups which meet in each other's homes to read the Bible and to reflect on and discuss their situation, their lives. These groups receive encouragement, support and some direction from local parish priests, missionaries, lay missionaries, and trained catechists who serve as volunteers. The BCC's are not isolated. Their members visit other BCC's, bringing news and ideas. They are linked through the organizational hierarchy of the Catholic Church. They assist newly emerging groups, sending experienced members of their own groups and catechists when these are available. These groups are an emerging grass-roots force for change --change in the church and change in the society. The liberation theology which has grown out of these groups and in response to them emphasizes the spiritual values of all religious traditions, thereby hopefully promoting tolerance even as it seeks to help people become aware of the roots of their problems in the structures of society (See Plate 8).

CONCLUSIONS - SIGNIFICANT CATEGORIES, INFORMATION, ANTHROPOLOGY AND PLANNING

While much of the literature on third world development has shown an increasing focus on rural areas and the small producer, it frequently neglects to examine the cultural system and the environmental one: ignoring context to concentrate on a "commodity systems approach," which has as its goal "serving the consumer." As has been discussed above, this "consumer" is not to be confused with the local population. A true systems approach to commodity economics must examine all the costs and benefits of policy in explicit terms, linking them with relevant aspects of the environment and the local culture, if it wishes to avoid contributing to revolutionary movements. If development policy and

Plate 8. Progress as a crucifixion of the poor: is there only Ony Way?
(Photographer: Stephen C. Sumner)

multinational corporations were to plan investment strategies with externalities in mind, their risk of losses through terrorism, revolution, and nationalization would be decreased. If the U.S. government continues, at taxpayer expense, to guarantee foreign investments of private corporations, there may be a continuing failure to perceive the connections, due to the lack of incentives. Additionally, U.S. government policy contributes to failed perception through its reinforcement of military responses to popular protest.

It cannot be assumed that the introduction of modern industries and agricultural practices will result in modernization of social and cultural patterns, nor even in a long-run improvement of living conditions for the majority of the population (Cochrane, 1979). Linkages between specific introductions and the pre-existing socio-cultural context must be considered (along with the limits of the local ecosystem). What was the land being used for and by whom? Will those benefits be replaced by others for that specific population? How soon can they actually be replaced? Given the skills and knowledge of the targeted group and given the national system, what are the alternatives available to the affected people? To ignore these questions is to run the risk of creating a "pyramid of sacrifice" (Berger, 1974) out of development efforts. Answers to these questions are possible using dis-aggregated forecasting and today's information-processing technology. Whether or not such analysis is done, and how soon, will depend upon awareness of the functional correlates of cultural differences, including class differences.

The results of policy may not be simply to reduce incomes of a group by a certain number of dollars which can be totalled as a cost to be compared with total predicted benefits to society. It may rather result in the disruption of a traditional, subsistence base which enabled large numbers of people to meet their basic human needs and conduct their lives in accord with their own values, directing their own development. In other cases, for families which are already integrated in the cash economy, the loss of a few dollars a month income, or access to raw materials for crafts and home production may make the difference between adequate nutrition and greatly increased susceptibility to disease, as well as to brain dysfunctions and behavior disorders (Pfeiffer, 1975; Rimland and Larson, 1981).

How the distributional effects of new policies are measured and weighted is significant for the moral order of society. The results of policy are perceived in religious terms by many affected peoples. Popular response to policy results may be channeled by traditional religious leaders in a variety of ways. In addition, the popular response may give rise to new cults and/or to revolutionary ideologies. Religion may legitimize different types of response - protest, armed rebellion, withdrawal to a closed community, etc. Protest which is met with force, by authorities seen as illegitimate, tends to generate guerrilla movements. Guerrilla movements may be seen as responses to injustice resulting from "irrational" planning on the part of development policy-makers. This planning has frequently been "irrational", not in the logic it uses in going from established principles to recommendations, but rather in its failure to use categories of information which are relevant to the decisions being made. If the kinds of facts which actually affect results are not seen as important the information will not be used in decision-making. In that sense planning is of necessity frequently "irrational." We often do not know until after the fact what kinds of information are relevant. Examining failures is a means of learning what categories of information need to be considered in planning. It need not be approached in a spirit of assigning personal blame, nor of looking for hidden motivations. The cognitive categories of both the targeted populations and the policy-makers are significant for research on the processes of development, and on the role of international business in those processes.

Linkages between cognitive categories and information use need to be made explicit by anthropologists. This interface is a traditional domain of anthropology on the village level. It needs to be applied to policy-making as well as to the village. We must not make the assumption that only traditional peoples have "irrational" beliefs. Nor can we assume that the capacity to process huge amounts of information assures us that the categories of information being collected and processed are the significant ones for the problem at hand. No matter how sophisticated our perceptual apparatus - no matter how fine our telescope - we still "see" from a particular position in space/time and yet our decisions and behavior affect many other people who see the world from different positions. We need to learn to pool information, interpreting it through knowledge of the position occupied as well as knowledge of the "telescope" used. In addition, we need to learn to listen to the information from those who have no fancy "telescopes" but who are still in a position to tell us about some things we cannot "see" because of the position we occupy.

As anthropologists we can frequently see -- we are taught by our informants in the village to see -- what the world looks like from there. We try to tell policy-makers and they frequently do not seem to hear us. It may be that we have only done half of our job. We may need to learn to communicate to policy-makers about the categories of information we use and why those categories are important to the larger system. In order to do that well, we need to study their cognitive categories, rather than assuming that the only cause of their behavior is the need to protect and expand American business profits.

At the same time, corporations have a social responsibility and their own long-term interests at stake. Beliefs that their investments and presence abroad are necessarily beneficial to the local people and contributing somehow to their "progress" are clearly in need of serious examination in the light of data.

> Despite . . . these serious limitations Central American trade grew from very little in 1960 to $272.7 million in 1971 and to $839 million in 1977 . . . (However), average wages in real terms declined from $0.39 to $0.33 per hour . . . while exports were increasing rapidly, basic food production fell behind population growth. According to Shelton Davis, between 1950 and 1970 in Guatemala the average size of farms decreased from 8.1 to 5.6 hectares and the number of landless peasants increased to about one-fourth the rural work force. In the Indian Highlands the average size of farm units

> decreased from 1.3 hectares per person in 1950 to less than .85 hectares in 1975. (Barryman, 1984, pp. 41-43. Emphasis is mine.)

International business needs to examine those beliefs that tend to legitimize short-term profits and to discount costs to outsiders. All organizations and individuals are prone to believe those things that justify their getting their needs (or wants) met with the least possible effort. However, in allowing ourselves to believe such things we create a myopia which is dangerous to ourselves and others. To minimize that risk it is important to analyze the potential effects of company policy on all the groups within the foreign country, and to see that well-designed regulation is in the best, long-run interest of all.

Protecting both the well-being of the society and the freedom of the individual has a long history within the system of law which governs our lives as citizens of this country. In this age of technological complexity and cultural pluralism it is important to extend that dual concern in appropriate ways to the regulation of international business. It is hoped that studies of moral evaluation of perceived changes, together with measurement of unintended effects, can contribute to planning that will provide both peace and justice for diverse cultural groups, respecting those values by which they judge justice and negotiating human solutions when value differences result in conflict over policy. Perhaps we will also learn from peoples with long memories to stop short of practices which threaten the soil's's capacity to grow food and the biosphere's capacity to support our species.

I, perhaps naively, do not at this time find it necessary to make negative assumptions concerning the motivations nor the intent of either government policy-makers or corporation executives. The horror and suffering that has occurred and continues to be inflicted on the poor and the helpless is beyond my capacity to describe, or to comprehend. It is an agony of grief to all of us who have known the people of Guatemala. I do not wish to excuse anyone for the responsibility we have as American citizens for the"pyramid of sacrifice" (Berger, 1974), which in this case has become a pyramid of sacrificed bodies. The horrible human suffering in Guatemala has resulted, in part at least, from policies, incentives, and weapons we have provided. In this article, however, I have sought to identify some of the unanticipated and disregarded factors which may have contributed to the violence. These are factors that were not measured and monitored from the beginning of investment. I have tried to identify some of the significant externalities in the hopes of contributing to a reassessment of the categories of information to be used in planning and evaluation of investments in cultures other than our own.

NOTES

1. I would like to thank Glynn Cochrane, Edwin Bock, Richard Schwartz, Michael Freedman, Tom Neumann, Hans Buechler, Blake Thurman, Susan Wadley, William Mangin, Hal Serrie, Duncan Earle, Garrett Cook, Steven Marquesee, Patricia Whelehan, Sr. Anne Hogan, Peter Furst, Gail Landsman, Robert Carmack, Gary Gossen, and Walter Zenner for their comments and suggestions on various drafts of this paper. In addition, I would like to thank Michael McCarthy both for his suggestions as a fellow anthropologist and for his patient instruction in the use of a personal computer's text editing functions, which have greatly aided the preparation of this paper. Field work was facilitated by the friendship and hospitality of the Edwardo Ruiz Umana family, Hugo Cerezo Dardon, and Carlos Castaneda of Guatemala; as well as by financial support from the Organization of American States. Stephen Sumner is the artist-photographer who produced the excellent photographs of fiesta ritual, which have made this analysis possible. In addition to my appreciation for the photographs, I would like to express my appreciation for his support and encouragement of my work, including his continuing dedication to our co-parenting. I would like to thank our children, Laura Sumner Gilbo and Aaron Christopher Sumner, for their patience and understanding, and also for their wonderful

friendliness and flexibility during the field work. Miles Wolpin and Joe Eldridge have helped by introducing me to many people and ideas which have increased my understanding of the Central American Crisis. Mohawk students at Akwesasne have shown great kindness and generousity in helping me understand being Native American, when I was presuming to teach them Native American Anthropology. Mater Dei College has been most generous in providing me with time and support to complete the writing. Most of all, I want to express my gratitude to my Guatemalan students, friends, and adopted family for sharing their lives and their love with our family. Opinions and errors are, of course, solely the responsibility of the author.

2. The cargador system in Guatemala is similar to that described by Hans Buechler in Masked Media for Aymara fiestas in the Bolivian Highlands. In this type of system "cargo" does not refer to cargo brought in planes or boats, as it does in cargo cults of the Pacific, but rather to the burden of assuming the responsibility of sponsor for a fiesta. In each community there are a number of such roles and they are expected to be assumed by different persons each year. In addition, one has a responsibility to kinsmen and to fictive kinsmen who have undertaken such responsibilities. The ritual activities themselves have meaning; but, as Buechler has pointed out, the manner in which the expected behaviors are carried out communicates a great deal about the relative positions of prestige and power of the participants.

3. These kinds of agricultural research appear in a variety of different journals and books. Appendix I provides just a random sample of such research.

4. Appendix II is a listing of a few of the books which describe the school of thought of "liberation theology," the process of concientizacion," (consciousness raising) which is tied to it, and the growth of the Basic Christian Communities in Latin America - which has sometimes been described as the "irruption (sic) of the poor into the historical process of Latin America" (Gutierrez).

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COLLEGE COURSES ON BUSINESS ANTHROPOLOGY

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Business anthropology is a subfield of applied anthropology that relates the theories and methods of ethnological anthropology to business and management. It is premised in the assumption that all business activities operate within a cultural milieu, which has effects on these activities and which may be affected by them. It is further assumed that all business firms and business personnel are themselves technological, economic, social, political, psychological, and ideological expressions of their own native culture, which may or may not encounter problems in communication and integration with business and nonbusiness individuals, organizations, and locations expressing different cultural systems. Finally, like all of applied anthropology, business anthropology has ethical concerns, and seeks to help business and host cultures alike rather than to contribute to the exploitation of one by the other.

Anthropologists have been conducting applied research on business organizations in the U.S. since the pioneering work in the thirties and forties of W. Lloyd Warner, Conrad M. Arensberg, Eliot D.Chapple, Frederick L. W. Richardson, Burleigh Gardner, Solon T. Kimball, William Foote Whyte, and others. The present period is witness to a new sense of mutual need between anthropologists and businessmen, this time oriented towards problems of international as well as domestic business. Given the much greater size of the anthropological profession in the 1980's compared with earlier decades, enough anthropologists are working in the area of business anthropology to warrant its identification as a newly growing subfield of the discipline.

There is currently a felt need for courses on business anthropology at various colleges and universities around the country.1 Often it is expressed first by business and management faculty, who then approach the anthropologists at their institution.2 Business anthropology courses stimulate students into thinking about careers in applied business anthropology and in business or management enhanced by anthropological knowledge and perspectives. They capture the imagination of traditional liberal arts students who love to travel and experience foreign cultures but who have not been able to imagine themselves as businessmen. They expand the world view of business and management majors through an appreciation of cultural differences and a challenge to do good in a complex economic, social, and political world. Business anthropology courses create links between two hitherto extremely separated faculty departments and student bodies. They broaden the horizons of traditional anthropology types as well as standard business types of people. They integrate segments of two diverse bodies of knowledge within the liberal arts tradition. By way of examples, this paper will discuss the various courses of business anthropology developed and taught by the author at Eckerd College, St. Petersburg, Florida.

AN INTRODUCTORY UNDERGRADUATE COURSE

In February 1980 at Eckerd College an undergraduate course exclusively devoted to the relationship between anthropology and business was initiated. Its title, The Cultural Environment of International Business, is borrowed from the book by Vern Terpstra of the University of Michigan that is used as the main text.3

The course systematically relates eight categories of culture--language, religion, values and attitudes, social organization, education, technology and material culture, politics, and law--to the operations of multinational firms. It summarizes features of different national cultures, and describes examples of successful and unsuccessful cross-cultural adaptation on the part of business firms.

Students are trained in cross-cultural interaction, and complete cross-cultural exercises among the several hundred foreign students on campus. Each student in the course must on his own initiative make an acquaintance with a student of different cultural background who has hitherto been a stranger, and conduct a series of deepening interviews related to cultural differences and the social integration of domestic and international students on campus.

As a term project, students from small groups of four or five on their own initiative select and contact a multinational firm and interview one or more of its executives. The end product is a 15-page term paper on the business operations and cross-cultural adaptations of the firm in a particular foreign country.

CORRESPONDENCE AND SHORT COURSE FORMATS

Eckerd College operates an external degree program for persons 25 years of age and older. Within this Program for Experienced Learners, the introductory business anthropology course is offered by correspondence and in short course formats.

The correspondence course differs from the regular day course for residential undergraduates in that there are no class meetings for lectures, discussions, films, slides, and presentations by guest speakers. Instead, the student works through a syllabus that provides additional articles and chapter-by-chapter exercises on each of the assigned textbooks. The student completes the work at his own pace, sending it to the instructor and receiving it back, corrected and graded, by mail. Students from as far away as Singapore and Brunei have taken this course in this format.

The short course is offered one evening each week, from 5:30 to 10:30 p.m. with a long break for supper, and meets for eight weeks. Other ways of organizing forty hours of class time, such as intensive use of weekends or vacation periods, are also employed. The short course format provides people who are working full time with an opportunity to have classroom experience. This format accommodates experienced learners in space as well as time; besides being offered on Eckerd College's campus, it can be offered at other locations: in neighboring cities (e.g. Sarasota or Clearwater); at a corporation site (e.g. Sperry Univac); or even in far-flung locations (e.g. Wyoming).

AN OVERSEAS FIELD PROGRAM

In January 1981 a month-long overseas field program in business anthropology was launched. Eckerd College pioneered the 4-1-4 academic calendar, which provides for a four-week Winter Term in January devoted to single special projects and ideally suited to programs involving travel away from campus. The overseas field program provides students with a relatively inexpensive means of experiencing a foreign culture at first hand and putting into vivid practice the lessons of successful cross-cultural interaction. It also provides them with an opportunity to observe American multinational firms coping with the same foreign culture with which the students are coping. Whereas back in the states students predictably hear more of a company's successes than of its problems or failures, overseas the students' data is richer and more complex.

Students enrolled in the overseas field program must make cross-cultural initiatives to meet nationals of the foreign city--including manual laborers as well as white-collar workers and executives--and conduct interviews that explore aspects of the cross-cultural adaptations of a particular multinational firm in that location. They are graded on the quality of their relationships with host nationals and on their ethnographic field notes and research paper.

In 1981 and 1982 groups of around twenty Eckerd College students travelled to the Cayman Islands to investigate the boom in offshore banking, tourism, and condominiums, and its implications for the underclass of unskilled laborers. In 1986 another group will fly to the Netherlands, to experience Dutch culture and study its influence on international business in the area of marketing.

AN ADVANCED UNDERGRADUATE COURSE

In February 1985 a second, advanced course of business anthropology was initiated. It is taught under two catalog titles: anthropology majors and other liberal arts students may take it as an anthropology course called CAN 334., Applied Anthropology; business and management majors may take it as a course called BMN 334, Industrial and Organizational Anthropology. The two titles respond to the different communication needs of students in the world beyond Eckerd College. The Anthropology Department had already built an Applied Anthropology course into the requirements of the anthropology major, did not wish to change an old established course title with wide communicative value in graduate schools and in the anthropological profession, but did want to build in the new materials of business anthropology. The Management department felt that the title "Applied Anthropology" would have no communicative value to graduate schools of business and management or to corporate employers, and suggested that the adjectives "Industrial and Organizational" be used in the course title. Since "Industrial and Organizational Psychology" and "Industrial and Organization Sociology" were familiar and entrenched course titles, the title "Industrial and Organizational Anthropology" would benefit by the parallelism.

The course focuses on current research in the subfields of applied anthropology, divided into three parts: one-third on business anthropology, one-third on economic and community development anthropology, and one-third on educational, medical, and urban anthropology. Method, theory, and application are similar and integrate the three parts. Some of the ethnographic data relates across the divisions, with business anthropology relating to both the Third World and Western case studies of the other two. Students' attention is continually drawn to job-hunting and careers that apply anthropology in practical ways. A reoccurring question and major theme of the course is whether business or government can solve a problem or meet a need better.

The student research project is aimed at sifting through the large and growing file of student papers produced in the introductory business anthropology course, searching for generalizations concerning cross-cultural adaptations of multinational firms that apply to several corporations, products, countries, or other significant entity.

The final synthesizing essay assignment requires students to integrate a number of research papers corresponding to each of the three parts of the course and to explicate the conceptual or problem-solving commonalities among them.

A GRADUATE LEVEL COURSE

In February 1986 a graduate level course on business anthropology will be introduced as part of Eckerd College's executive MBA program. The course is called Managing Cultural Differences and is based partly on a textbook with this title written by Philip R. Harris and Robert T. Moran,[4] the latter of the American Graduate School of International Management. The course is designed for managers in the Tampa Bay area who are enrolled in the EMBA program. It will introduce them to the basic principles of culture and cross-cultural adaptation by business individuals and business firms. The managers as students will do cross-cultural exercises among the international students on campus. They will read case studies of particular firms in specific foreign cultural environments, and articles by anthropologists doing research in business anthropology. The term paper assignment will require each student to conduct a research project in his or her own firm, applying anthropological techniques in a problem-solving mode.

COMPONENTS OF A BUSINESS ANTHROPOLOGY COURSE

Different instructors have different interests, and the choice of textbooks along with other course components varies considerably among those anthropologists already teaching business anthropology courses (personal communications). This instructor has always preferred using The Cultural Environment of International Business (Terpstra et al 1978; Terpstra and David 1985) as the basic text for the introductory course, supplemented usually by two shorter books or the equivalent in articles. Excellent supplementary readings are available, as diverse as the interests of the instructor or students. For good lessons on learning appropriate, culture-specific behavior, Raymond L. Gorden's (1974) study of college students in Bogota is useful. For studies of management practices in foreign cultures, there are the classics by Thomas P. Rohlen on Japan (1974) and Robert H. Sillin on Taiwan (1976). The Harvard Case Studies provide succint examples of cross-cultural problem solving by specific corporations. Or for a look at the kinds of mistakes that American corporations make in foreign countries, David A. Ricks' book on Big Business Blunders (1983) is very entertaining.

Other components may be added to a business anthropology course. Cross-cultural exercises are invaluable in giving the students practice in interacting with people from cultures different from their own. Eckerd College is unusually advantaged for a small college, in that it has several hundred students studying English on campus who come from countries all over the world--especially the Caribbean, South America, west Africa, north Africa, the Middle East, southeast Asia, and east Asia. Many of these students arrive with little or no knowledge of English or of American behavior patterns, so the opportunities for American students to experience some of the difficulties of cross-cultural interaction and communication are especially rich.

Overseas field programs intensify and extend the cross-cultural experience, and frequently excite students with a desire to work aboard. They provide an excellent test of a student's ability to adapt to foreign cultures, and they are a pleasurable way of combining business with anthropology.

The research paper is a valuable test of how well the student understands the abstract principles of cross-cultural adaptation by multinational firms and often generates useful new data. It is usually a popular task among students who enjoy making contact with multinational firms and collecting information on their own, and who frequently use the research paper assignment as a means of contacting executives in a corporation they would like to eventually work for.

For several years, the introductory business anthropology course has been team-taught with a professor of management[5] and has a large enrollment from the foreign students, the management majors, and the liberal arts majors on campus. Six years of experience at Eckerd College indicate that courses on business anthropology are effective and among the most popular in the curriculum.

NOTES

1. This author has sent copies of his course materials to over thirty anthropology departments which have requested them.

2. For example, Prof. Robert B. Tebbs, head of the Department of Management, deserves the credit for first conceiving of a business anthropology course at Eckerd College.

3. The Cultural Environment of International Business, by Vern Terpstra, with contributions by Ian H. Giddy, Thomas Neil Gladwin, Stephen J. Kobrin, and Ravi Sarathy. 1978. Cincinnati: South-Western Publishing Company. The second edition of this text, co-written with Kenneth A. David, an anthropologist at Michigan State University, was published in 1985.

4. Philip R. Harris and Robert T. Moran. 1979. Managing Cultural Differences. Houston: Gulf Publishing Company.

5. The writer would like to acknowledge the valuable assistance of co-instructor Joseph M. Bearson, a professor of Marketing at Eckerd College who has experience as a businessman and was an undergraduate anthropology major at Brandeis University.

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